THE FINANCIAL POST OF CANADA

A weekly newspaper aiming to present to the public in a popular manner, accurate information relating to the financial interests and the legitimate investments of Canada.

PUBLICATION OFFICE—10 FRONT STREET, EAST, TORONTO

VOL. I. SINGLE COPIES, 10 CENTS. MONTREAL, TORONTO, WINNIPEG, MARCH 9TH, 1907 ANNUAL SUBSCRIPTION, $3.00. No. 9

COAL AND STEEL

THE HARMONIOUS BLACKSMITH HAS BEEN RENDERED.

But as Yet There is Only Singing—The Main Question Still to be Solved—The Coal Meting Passed Off Peacefully—Three Methods of Adjustment Suggested—The Law Suit Will Continue.

The event of the week the Dominion Coal annual meeting passed off in a quietude which made the big alarums sounded forth in the daily press sound like penny whistles. The gathering of proxies from the shareholders opposed to Mr. James Ross's policy was not undertaken with any idea that those sympathetic with the Steel interests could overcome the majority held by the Ross representatives. It was thought advisable, however, that as much voting power as possible should be collected so as to offer a unanimous voice in future negotiations. The meeting passed off quite harmoniously as the captains of the opposing interests had fully expected Mr. Frederic Nicholls was the plenipotentiary of those who do not believe in the coal company assuming the form as it were of a family compact. He was agreeable from the beginning to the views of the prevailing majority.

While the published statements would give the idea that peace and harmony reign, the law suit will continue, and the Steel people do not propose to forego the legal rights which they believe they possess unless some practical proposition of co-operation is agreed upon. All definite negotiations in this direction are still in the future. It is quite true that Mr. E. R. Wood, of Toronto, before Mr. Ross's departure spent the greater portion of two days with him ascertaining the points of difference on the contract and hoping to affect view adjustment. Mr. Ross suggested modifications which if carried out might have been aceptable, but Mr. Plummer was of the firm opinion that regarding Mr. Ross's previous action no reliance could be placed on a continuance of the same frame of mind. There is every likelihood that the suit will go on and will reach the first court and the decision of that tribunal may produce a basis of co-operation. Assuming that such a consummation is possible there are three ways by which the affairs of the Coal and Steel companies may be cohered

1. The Steel company may take over the Coal company and give collateral trust bonds in lieu of the Coal stocks.

2. The Coal company may acquire the steel company, providing for the bonds, adjusting the preferred stock, and offering some prospect for the common stock of Steel.

3. A holding company which would take over the permanent stocks of both corporations on a basis of equitable value.

In the meantime the situation may be said to be in the hands of Mr. Ross on the coal side, and Mr. Plummer on the steel side. They are the final arbiters and it may be news to many to know that Mr. Plummer preserves an absolutely firm front.

It may be concluded from the foregoing, however, that soon or late some adjustment of the difficulty will be made for the very reason that the colleagues of the two principals fully realize that such is eminently desirable for the public and in the more particular interests of the two companies.

The following dispatch from Montreal would appear to cover the proceedings of the annual meeting:

Before the adoption of the annual report Mr. Wanklyn, the vice-president who was in the chair, announced that at a directors' meeting held earlier in the day, the board had decided on the resumption of dividends on the common stock at the rate of 4 per cent. per annum. The first quarterly dividend of 1 per cent, to be payable on April 2. The main cause of the harmonious settlement was contained in the announcement made by Mr. R. B. Angus, one of the most influential interests on the coal board, that there was every indication that the trouble between the Dominion Coal and Dominion Steel companies would be adjusted long before the courts could be called upon to settle it. The friendly relations between the two companies, he added, had developed more and more than even during the past few days, and no later than yesterday he had been approached by a prominent interest who up to the present time had not taken any part in the controversy, and he felt that all personal feeling in the matter had been set aside and a settlement of all difficulties would soon be reached.

Mr. Angus also stated that Senator Cox, following up a policy of retiring from the boards of a number of companies, had intimated to the Coal directors that he desired to retire, but he had reconsidered his decision, and had consented to stay on the board with a view of helping to bring about a lasting peace between the two companies.

Mr. Frederic Nicholls, in stating that he represented over 50,000 shares, said that the interests he represented were anxious to secure a peaceful working arrangement between the coal and steel companies. On his arrival today he found the majority interests were anxious to show a disposition to meet him in a businesslike and fair-minded manner, and on this account had decided to make the vote for the new board a unanimous one, and he thought the settlement that would result would redound to the benefit of both the coal and steel companies.

Two new members were added to the Board of Directors—Mr. J. Kerr Asborne, of Toronto, and Mr. James Crathern, of Montreal.

The new directors take the places of G. Herrick Duggan and C. Fergie, two officials of the company who were placed on the board a short time ago.

COBALT PRODUCTION

A GOOD RECORD FOR THE FIRST TWO MONTHS.

Over 1,900 tons so far in 1907—The Output of 1906—The Discrepancy Between Dominion and Provincial Figures—A Different Basis of Valuation—Ontario's Total Mineral Output Last Year.

In view of weather conditions, and the formative stage of the camp, Cobalt is making an admirable showing in shipments. For the first two months of the year, the total shipments are 1,921 tons. It is difficult to say what the value is because there has been a considerable quantity of low grade ore sent out. Nipissing shipments are not running high in value. On the other hand O'Brien, La Rose, Foster, Coniagas, Green-Meehan have sent out some rich ore. The value for the year to date on the usual basis of estimate should be in the neighborhood of $2,000,000, but this figure may be over the mark.

The Week's Output.

The shipment for the last week of February, ending March 2nd, are:

	Pounds.
O'Brien	194,610
Nipissing	148,470
Green-Meehan	68,380
Buffalo	60,000
La Rose	57,480
Silver Queen	54,670
Total	583,610

Shipments for Two Months.

	Jan.	Feb.	Year to date
Nipissing	623,701	457,620	1,081,321
O'Brien	419,831	390,110	809,941
Buffalo	279,000	120,000	399,000
La Rose	123,500	175,067	298,567
Coniagas	174,220	108,580	282,800
Silver Queen	125,683	94,885	220,568
Trethewey		179,648	179,648
Green-Meehan	61,210	68,380	129,590
Foster	43,600	56,750	100,350
Kerr Lake		75,000	75,000
Cobalt Central		66,957	66,957
University	61,385		61,385
McKinley Darragh	60,000		60,000
Cobalt Townsite	47,160		47,160
Nova Scotia		30,000	30,000
	2,019,290	1,822,997	3,842,287

Production in 1906.

In regard to the production of the Cobalt Camp for 1906 there is a difference between the figures furnished by the Dominion Department of Mines and the Ontario Bureau of Mines.

Dr. Haanel, of the Dominion Government, in his summary of shipments, gives the total ore as 458,484 tons and the approximate value $4,283,369. The output as stated by the Ontario Bureau for 1906 is as follows:

The output of the mines of Cobalt during the year was as follows:

Silver oz.	5,357,830	$3,543,089
Cobalt, tons	312	30,819
Nickel, tons	156	
Arsenic, tons	1,558	
		$3,573,908

Up to the end of 1906 the Cobalt camp produced 8,016,061 ounces of silver worth $5,015,479 and 446 tons of cobalt, 245 tons of nickel, and 1919 tons of arsenic valued at $150,779, $13,467, and $3,596 respectively. The last three constituents bring at present little or no return to the mine-owners.

The discrepancy is explained by the different basis of valuation. In the higher estimate the selling prices of the refined metals in, say the New York market, is the basis of figuring. In the Ontario estimate the value in the form in which the minerals leave the country is stated. The extent of the variation is shown by the fact that the gross value of Ontario's mineral output is $22,221,808 on the lower basis and about $30,600,000 on the higher basis.

Duluth's earnings for seven months show a surplus of $30,228, against $35,026 lase year, or a decrease of $4,798. The gross earnings have advanced, but so have the working expenses.

THE COBALT MINES

THE STORY OF THE LITTLE KNOWN TOWNSITE CO.

A Property of Great Promise—The Price Paid the Government — Its Flotation in England — The Silver Leaf — A Mining Engineer's Opinion—The Nipissing Find—McKinley-Darragh and Peterson Lake.

Cobalt, March 7.—Over 100,000 acres have been staked out as mining claims and recorded in the Larder Lake district. Claims are being hawked about like cabbages; one is offered them for $100 each in any quantity, from three or of quartz were shipped a few days ago to the School of Mining, Kingston, for a test run in the mill. On the strength of that the papers announce that "they are shipping ore from Larder Lake." I would suggest that the public would do well to leave it alone till the Government engineer who has been sent in makes his report. There will be lots of time then.

Silver Leaf.

There has been steady work on this property for over a year. It has a good modern plant, but so far as one can learn it has shipped no ore. Extensive prospecting has been done, both on the surface and underground. I have seen the property several times, but never saw any ore to amount to anything. It must still be regarded as a prospect with a large capitalization.

The Colonial will ship two carloads at once, which are expected to total $40,000.

The Townsite Mine.

This is probably one of the few mines of importance in Cobalt to-day about which little is known by the public. There are various reasons for this. Its birth was shrouded in mystery, and very little has been made public in Canada as to its flotation and development. The property consists of about 37 acres in the townsite of Cobalt, and lies next to the Silver Queen and Buffalo mines, and abuts on the railway. The T. & N.O. Railway Commission in the summer of 1905, engaged a Montreal engineer to take charge of a large force of prospectors and workmen for the purpose of ascertaining its value as a mining proposition. Many hundreds of feet of trenching were done and several veins carrying native ore were uncovered. Also several thousands of dollars were spent in this work. Nothing more was done until the summer of 1906.

Early in the spring of 1906 tenders were called for for the right of way, and the "northwest 40," being the 40 acres lying west of J.B. 6, or "Coniagas" mine. No mention was made of the area lying to the southeast. The press duly informed their readers that the commissioners of the T. & N.O. Ry. had received several tenders, and people waited to learn who would get the 999 years lease of these properties. Several weeks elapsed and then a few people casually noticed in some newspapers a statement to the effect that "the T. & N.O. Railway Commission had accepted the tender of the Townsite Mining Co. for the southeast 40 in the townsite of Cobalt.

Seven gentlemen were the original syndicate who secured the rights from the commission. The terms were as follows: Either $32,000 or $35,000 was to be paid by way of bonus, and a royalty of 25 per cent. of the value at the pits-mouth on all ores of a value up to $1,000 per ton, and 50 per cent. as above, should the value exceed $1,000 per ton. A company was organized with a capital of $100,000, in 100,000 shares of a par value of $100 each. Forty-five thousand shares were sold to pay the railway commission their bonus and provide working capital. Development was started and Mr. Rupert Simpson was placed in charge of the property. Since last summer work has gone steadily forward and has shown this to be a very valuable mine. About 21 veins have been uncovered within a limited area, some of which carry very high-grade ore. The formation here is very similar to the Silver Queen and Buffalo mines—Huronian conglomerates and slate, overlying Keewatin greenstones. A shaft has been sunk to a depth of 75 feet, and opens up a vein which compares very favorably with the best showing of the Silver Queen, varying in width fcom 8 inches to 14 inches, it carries high-grade silver and Cobalt ore. A first-class plant is now being installed, including air compressor and drills, boilers, hoist, and pumps. One carload of ore has recently been shipped to Copper Cliff, from which the returns have not yet been received. It is not likely to run over $1,000 per ton in value. This, however, need not be taken as any criterion of the value of the ore in place in this vein to-day.

Soon after incorporation the Townsite Mining Company, Ltd., gave an option on their shares (issued), to a firm of stock brokers in London, England, Messrs. Rose & Co. The price was such as would net the holders of shares in the Townsite Co. about $22 per share. An English company was formed, with a capital of £200,000, in £1 shares, and placed on the London market. Transactions were recorded at over £3½ but in the writer's opinion, several papers in London gave the shares great "puffs." Quite recently Messrs. Rose & Co. have asked for an extension of time in which to make payment to the Canadian company. What will be the outcome is hard to say at present. One thing is certain—the gentlemen who were fortunate enough to secure this property for so

(Continued on Page 4.)

THE SECURITY REVIEW

A WEEK OF FEVERISHNESS AND DECLINES.

The General Situation—Why Canadian Stocks Are Now Better Than American—The Bank Issues Are Attractive—Dominion Steel Encouraged—Notes on All the Leading Stocks.

Both the New York and Canadian Exchanges have witnessed the most feverish week they have known for many a day. On Monday the decline began and the stocks that weren't knocked down that day were toppled over on Tuesday. Wednesday brought a little relief and Reading jumped up in an amazing manner while C.P.R. in the morning dropped in a way that made its best friends sad. The net result of the week is that all the leading stocks show declines ranging in all sizes. The liquidation has been severe as shown by the volume of transactions. Every week one would think that the decline had proceeded far enough but the next week finds either an absolutely spiritless market or extensive drops and a lower level.

The conditions in the U.S. were reflected in the Canadian markets and every security was marked down with the exception of Dominion Steel, which, on the news of Thursday's harmonious meeting, showed much activity and advanced from 22 during the day as high as 24. C.P.R. has suffered during the week but after the drives has shown resiliency until yesterday's finale.

The question now arises as to whether the stock market in its sensitive fashion is discounting well in advance the reaction in general business which many are prophesying. Or is it that stocks having for a number of years been in the hands of large speculative coteries in the United States and barren of public support, must be now disposed of, as the carrying resources exhaust themselves?

Whatever may be the conditions in the United States, Canadian stocks at present levels offer more attractions than the American list. There is hardly any security in the Canadian list which is technically in a bad position. Any weak long accounts have been tired out. Canada for the present is not going to experience the same measure of reaction, if such is in store, as across the border line. Given another year of fair crops, there should not be much trouble in the Dominion outside of the absolute scarcity of floating funds.

One feature of the Canadian list merits attention—the bank stocks. These have declined during the past week to levels where they make profitable and absolutely safe investments. As has been previously pointed out in The Post if money continues scarce the banks' profits increase. If money gets more plentiful, the general market should approve and with them bank quotations.

In their weekly letter, Jaffray & Cassels say:

"An element in the general financial situation in Canada which must be considered is the high level to which northwest land prices have risen, especially town lots. There are signs that this advance has reached the stage where new buyers are not coming in. Those who hold as it were on margin, that is having payments on purchases to meet, are beginning to find difficulty in getting the necessary funds. The result is offerings at lower prices, just as in the stock market. The lands above referred to are not settlers' lands, and this condition does not affect the general question of settlement of the northwest. The flow of immigration shows no sign of a check. A factor to be noted in the northwest farm land situation is that the advance in prices has tempted older settlers to sell their developed properties in the eastern districts and move to the cheaper lands farther west. The effect of this is to more rapidly increase the cultivated area, for these eastern immigrants go to the newer areas with plenty of funds and experience to operate on a much larger scale than many of the more recent arrivals.

Imperial Bank.

"Bank issues have not escaped the general weakness, and the declines in these have forced some speculative holdings on the market. There is a notable scarcity of Imperial Bank stock at the lower level. There seems little of it speculatively held. The safe and conservative management has given such confidence to investors that even those who might fear a trade reaction are undisturbed. The policy of the management has been to increase the capital and thus do its duty towards the business necessities of the country, at the same time furnishing additional security to depositors. The policy seems to meet the approval of investors. The statistics of bank note circulation last Fall show that the banks have done their full duty in furnishing increased circulation. These statistics indicate that the same rate of increase in capital by which circulation is limited, may not be immediately necessary. Having therefore met the necessities of the situation as to capital, it will be in order for the directors of the Imperial Bank to consider the dividend rate. Dividend possibilities have by no means been exhausted."

Canadian Salt.

The annual statement of the Canadian Salt Company shows that during 1906 the company earned a net profit of $63,000 on the capital of $500,000. Dividends at the rate of 8 per cent. absorb-

(Continued on Page 4.)

A CANADIAN FAVORITE

GREAT NORTHERN AND ITS LINKS WITH CANADA.

The Remarkable Returns Yielded—The Early Association—Lord Strathcona and Lord Mountstephen—Average Return in Nine Years 42 Per Cent.—The Prospect in 1907—The Value of the Burlington Ownership.

Great Northern is an American railway in which there has been always a considerable Canadian interest. The founder of it was a Canadian in the person of James J. Hill. It was originated in Minneapolis and St. Paul when the best element in those cities was largely Canadian. It was the first railroads into our great Northwest, the origin of the present Great Northern system the St. Paul, Minneapolis and Manitoba Railroad which gave the only entry into Winipeg in the boom days of the eighties. Donald Smith, now Lord Strathcona, was largely interested because as the representative Nor-Wester he wanted Winnipeg made accessible. He and his associate, Lord Mountstephen, have been James Hill's chief supporters in every emergency and their foresight and fidelity have been magnificently rewarded by results. In the early eighties when Hudson Bays had become a favorite Canadian stock, St. Paul, Minneapolis and Manitoba was a popular security also. It is unfortunate that the stock market operators of those days did not cling to their holdings. The two Canadian peers had the perseverance, however, to do so. In the past year Great Northern, from a market viewpoint, has been a most expensive stock and Canadian operators have witnessed a sensational depreciation in quotation value. In January of 1906 the stock was selling as low as 283 and advanced in February to an extreme high point of 348. It witnessed then a drop which went as low as 275 in May, recovering again as high as 334 in September from which point it receded. Today it is at 155 with ore certificates given as a bonus at 70, making a drop from the normal price of twelve months of 1906, of one hundred points. Those who have been in Great Northern, however, for the past nine pears have no reason to find fault with their investment. Added to this there are more rights to come this year and there is the ownership of C. B. & Q.

The investment return from Great Northern makes a record in railway annals. In the past eight years while the annual dividend return has been only seven per cent., the rights have been wonderously profitable. The record from 1898 is as follows:

Year	Reg. div.	Rights	Total
1906	7	85	92
1905	7	44	51
1904	7	..	7
1903	7	..	7
1902	7	..	7
1901	7	30	37
1900	7	7	14
1899	7	18	25
1898	6¼	116	122¼
Total			362¼
Add prospective rights in 1907			20
Total			382¼
Average per year			38 22

The appreciation in the market price of the stock in the same period prior to the issuing of the ore certificates last December is also most interesting.

	High	Low
1906	348	275
1905	335	236
1904	242½	170
1903	209	158x
1902	203	181½
1901	208	167½
1900	191½	144½
1899	195	142¼
1898	180	122

x Ex allotment.

In an article on the prospects of the stock the Wall St. Journal says:—

All the indications at the present time are that the Great Northern will earn a surplus in the neighborhood of $22,000,000 this fiscal year, and the Northern Pacific a surplus of slightly more than that. In addition to this there is another big factor in the values of these properties which everybody persistently overlooks. It is their equity in the surplus earnings of the Chicago, Burlington & Quincy.

The Great Northern and Northern Pacific are stockholders in the Chicago, Burlington & Quicy. Every dollar of earnings in this road which they turn back into the Burlington property does these two stock holding roads an injustice in that it enhances the security of the bondholders.

Burlington bondholders, like all other bondholders, are supposed to have had and did have their full security when they bought their bonds. The surplus earnings year by year belong of right to the stockholders, and should go to establish an equity for the stockholders.

The surplus earnings of the Burlington above its fixed charges and dividends during the past six years amount to many millions of dollars, and that the Northern Pacific and Great Northern will come into their own in this respect there can be no doubt.

MONTREAL VIEWPOINT

THE NEWSPAPERS DID ALL THE HARD FIGHTING.

Old Caspar's Work Was Done Before the Coal Meeting Took Place—The Important Statement by Mr. Angus—The Holding Company Idea Discussed—The Opinion of a Montreal Expert.

The much-heralded annual meeting of the Dominion Coal Company has come and gone without violence and bloodshed. What was to have been a stand-up fight—and no doubt many disappointed sightseers were there—has resulted in a love feast, the usual end to such occasions. Apparently the daily newspaper, with their columns to be filled, have been the battlefield and the many columns that have been written on the great Dominion Coal and Dominion Steel fight of 1907, must have been largely evolved from the inventive minds of the adept gentlemen of the press.

It is quite true that an "ad" appeared in the Montreal papers a short time ago, signed by two leading stockbroking firms, members of the Montreal Stock Exchange, stating that it was impossible to obtain a list of the shareholders from the Dominion Coal offices, and therefore it was necessary to resort to the press for the purpose of notifying the stockholders that a contest was on between a section represented by Sir William Van Horne, H. F. Dimock and Z. A. Lash as against the present management headed by James Ross. This was followed up by a thorough canvass for proxies and it is understood that those first mentioned, familiarly called the "Dominion Steel party," were able to secure proxies for between 40,000 and 50,000 shares out of a total of 150,000 shares. Mr. J. R. Wilson, of the Ross party, made his usual speech through the papers, and Mr. Plummer was of course obliged to answer. Almost up to the last moment it looked like a stand-up fight, but it leaked out just before the meeting that nothing serious would happen. Perhaps the Steel party in seeking proxies had no real hope of gathering together sufficient to sway the meeting, and it is not unlikely that their object will have been accomplished by what has happened and is still to happen.

Prior to the meeting the directors met and resumed dividends on the Common stock at the rate of 4 per cent., payable quarterly. It is generally supposed that the hand of the directorate was forced in this respect by the above events. At the meeting it was stated by Mr. Wanklyn that the company could quite safely resume dividends at this rate with expectations of a higher rate before very long. Certainly this trouble has done some good, if it has been the means of inducing the company to begin the payment of an income to the poor holders of stock, who originally purchased it as a safe dividend-paying investment.

However, something much more important developed at the meeting, when Mr. Angus took pains to explain that the relations between the Dominion Coal and the Dominion Steel Company, recently so severely strained, had become most amicable in character. It is impossible to attach too much weight to the utterance of such a man as Mr. Angus, when he states that it is a practical certainty that in a very short time the absurd legal struggle, now being fought out between the two companies, will be settled satisfactorily to all concerned. Beyond question of course, this means that the Dominion Steel Co. will agree to pay an additional amount for coal, but the Dominion Coal Co. will forego a substantial portion of its demands as to price.

The holding-company idea does not seem to have made any progress and to the writer's mind this always appeared to be an extremely visionary scheme. Until each of these companies is firmly established on a permanent and paying basis, it would scarcely be fair to advocate a union of interests. Sufficient time has not elapsed to erase from the minds of thoughtful people the terrible fiasco of the original consolidation.

THE CANADA LIFE.

The Pioneer Insurance Company's Encouraging Statement.

The total insurance in force of the Canada Life reached on Dec. 31st, 1906, the very handsome amount of $112,572,028.39. The increase over the previous year was $4,890,145. The assets are now $32,280,542, an increase of nearly seven per cent. over 1905. The net surplus by its own standard is $882,000, or by the U.S. standard, $2,477,000, to which is to be added on policy-holders' account the capital of $1,000,000. While the company has been extending its business in other countries, it has occupied itself in most cases with territory where there is a natural field, especially in Chicago, St. Paul and the northwestern States where there is a large Canadian population which would naturally prefer a sound Canadian company whose name has been for them a household word in their youth. The corrective influence of the Insurance Commission was promptly recognized by the president, Hon. Geo. A. Cox, and his acquiescence in the recommendations should maintain the old time confidence and regard of the public. The present executive administration can be fully depended upon to carry out this policy.

A very satisfactory feature of the annual report was the decrease in the expenses of $100,000; the reduction of the lapse ratio is another interesting factor.

LONDON LIQUIDATION

THE CRAZY SPECULATION IN OPTIONS ON AMERICANS.

The Liquidation in American Stocks on the London Market is Explained by a Correspondent of the N. Y. Evening Post, Who Says:

To the surprise and disappointment of everybody, the New York rally proved short-lived, if, indeed, it could be said to have lived at all. After a few days of comparative activity it petered out. Ten days of stagnation followed, and then another unpleasant surprise arrived. Persistent liquidation began in the American market and afterwards spread to the Kaffir circus. It was most marked in Union Pacifics, Canadian Pacifics, Missouris, and Steels. The quarter from which these stocks were pouring out could not long be concealed. The sales evidently had some connection with a big lock-up of option stock disclosed at the end of December. Though unsuspected at the time, it was one of the causes of the penal rates then inflicted.

The firm concerned are London correspondents for New York parties. They had been doing a large option business for their New York principals and their friends in London. Not unlikely, they may have also done a little for their own land. All through 1905 and 1906 enormous purchases were made here of puts and calls on the market favorites of the day. Stock after stock was taken hold of and tempting offers made all round of option money, generally for long terms. As much as six or eight would be offered for a three-months put and call. Sporting bids were also made for six months or longer. The buyers of these options further extended their bull position by large purchases of stock, so that by the end of the year they were carrying tremendous loads. As the options matured most of them showed a large profit on paper, and the stock was, therefore, called. The difficulty of carrying over increased, of course, at every succeeding settlement. To make it worse a lot of small bulls had caught on to the rise and made the tail of the kite so much heavier. The crisis arrived at Christmas, when the firm above referred to, were practically unable to get all of their stock contangoed. Some provisional arrangement was made on the market to take care of the account for the time being.

Reported Assistance.

The middle of January came and the position had not greatly improved. Outside assistance, it is said, had to be asked for, but reports differ as to where it came from. One version credits an important finance house here with having come to the rescue, while another says that a large part of the account was taken over by the New York firm on whose behalf most of the options had been bought. Liquidation was renewed last week in Unions, Missouris, Steels, Canadas, etc., and it has continued intermittently all through the week. On Thursday it spread to other markets, even to Kaffirs. They had opened well and been very steady all the morning. In fact, about midday they showed some substantial gains. Then a slump set in which, without causing actual alarm, depressed the whole market. On Friday dullness and uneasiness were almost universal. Any bull points that turned up were quite ignored. A rattling good dividend declared by the North German Railway hardly kept up the stock at its own price. There was general discouragement and dissatisfaction at the unfavorable turn things had taken when a strong bull movement should have been under way.

One of the ironies of the situation is that the firm alleged to have been "squeezed" is rich enough on paper. It was said to have had nearly a million sterling of profit in sight before the slump began. Even now it would have a handsome surplus could its holdings only be realized. But they cannot without breaking the market, not only here but in Wall street. It is a curious dilemma altogether, and the dealers who got caught out on the Harriman dividends last August do not pretend much sorrow for it.

Discriminating Against Americans

Apart from this particular case there has been a significant change of complexion in the American market. Some kindred changes must also have taken place outside. The banks must have had some kind of hand in the affair. When they first spoke of discriminating against Americans the House only laughed, and did not see how they could do it. But apparently they have done something. Supposing that previous to the discrimination outcry a firm like this had great blocks of stock pledged in a number of banks, some of which declined to continue them, the only alternative would be to get them carried over in the open market. If, as may well have happened, "takers in" did not like them much better than the banks had done, the consequence would be a deadlock.

CANADIAN RAILWAY STATISTICS.

On June 30th, 1906, there were 21,353 miles of railway in Canada compared with 20,487 the preceeding year. There were 27,989,782 passengers carried as against 25,288,723 in the previous twelve months. There were 361 persons killed. The total earnings were divided as follows:

Passengers	$33,392,188
Freight	81,433,115
Mail and express	4,510,649
Other resources	5,986,912
	$125,322,864

N. W. Harris & Co., of New York, have purchased $1,650,000 5 per cent. bonds of the Dominion Power and Transmission Company of Hamilton.

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

IX.

SELF-HELP SERIES.

You Want Promotion?—Then Avoid the Mental Attitude That Hinders.

Nothing depreses the life of any business more than an officer who constantly criticizes and fault-finds, and, when the head of a department recognizes among the members of his staff an employe possessed of such a disposition he is fully justified in reporting the matter to headquarters and having the discordant element removed.

Grumbling is a habit—and a bad habit, it gets upon the nerves of other workers and nags eternally nags—until the life of the business feels frayed at the edges and seems utterly delapitated. Workers do not enjoy putting their best energies into work which they are told is "all wrong"—"no use doing it—etc., etc.,"—that the whole institution is going to pieces from the president to the message boy, and —on dit—(which means that they keep on saying in worse ways—because the language is slightly veiled) it gives others the impression that something must really be wrong—and—well, what use is there in doing their best anyway?

This is no hob-goblin theory, it is true of every institution that ever set out to do business upon lines of advanced thought which is unfortunate enough to have on its staff a grumbling It's-Always-Been-Done This-Way.

When the executive of such a business sits in council, its members bring the best thoughts that years of experience, steady and clear judgment can combine to bear upon some question at issue—even if that question seems as trival to the outsider as a revision of the marking system, and, after talking it over—reconsidering and meeting again in council to gain the point of view of every member, finally arrive at the conclusion that this certain change will be advisable in the marking department in order to more systematically carry on the business and promote its interests. The order for the change is given to the head of the department—also the reasons for it.

In turn the head of the department issues the order to his subordinates, but gives no reason. "A change is to be made"—that is sufficient, the first requisite of a good clerk is to obey orders given by the higher powers. If he had had experience sufficient to formulate the changes, he would be filling a higher position himself. But this grumbling It's-Always-Been-Done-This-Way begins (as soon as his chief's back is turned):

"Humph! Another new order"—(clerks suspend work to listen.)

"Will it keep us after hours?"—(A look of alarm on the surrounding faces.)

"We're not paid to do it.!"—(Shakes of heads; nods of approval.)

"It was not so understood when I accepted this position."—(whispers—"No, nor I—nor I.")

"A rolling stone gathers no moss!"—(murmurs of applause—"A quotation"—one whispers—"so sweet—how cute!")

"No institution can stand where methods are changed!!" (visible triumphs: "Such brains! What knowledges—a He-row De-v-i-ne!")

"Rotten!"

"Going to the dogs!"

"No help for it!"

(Chorus—Rotten! going to the dogs—no help for it!)—and the refrain reaches outside somebody—somewhere.

"By the way, Smith: I hear that the Jones Marking Company is—is—."

"Nothing serious I hope?"

"Perhaps not—but—have you any stock? Rumor, you understand—just rumor—but—."

"Yes, yes—sorry. Never can tell?"

"Just so—must be fire where there's smoke—something wrong."

"Dear, dear—hopeless."

"Can trust no one."

Smith tells Green; Green meets Brown. By the end of the luncheon hour Jones Marking Company is in a fair way to go under. Confidence is shaken. Why?

Brainy, far-seeing men ordered a slight change in a minor department of their business. One that would save time, increase orders—make money.

"A grumbling — It's-Always-Been-Done-This-Way. Set his special set of parroty thoughts to words,—and, the result?—An impending crash.

He was brainless, indolent, incompetent, and his ambition in life was to hinder, to clog wheels and place obstacles in life's way.

If such a clerk were summarily dismissed it might be regarded as an outrage by the millions who do not understand the machinery of business life—"A free country—not allowed to express an opinion?—Tyranny—Dark ages—."

Piff! (the writer is saying piff.)

This is not an exaggerated imposition.

The wheels of commerce are being clogged every day by just such grumblers.

A smash comes sometimes.

No one can place his finger upon the weak spot that caused it.

Do you want to help yourself by helping the institution of which you are a business member?

Then rid yourself of a disposition to shirk and fault-find. Obey orders, cultivate cheerfulness, don't grump, fall in with the ideas of those who have brains sufficient to reach the top,—and promotion will come to you,success to the business to which you belong—and a rapidly increasing bank account will be the result—if you have ability to recognize what a splendid asset a bank account is.

E. B. B. R.

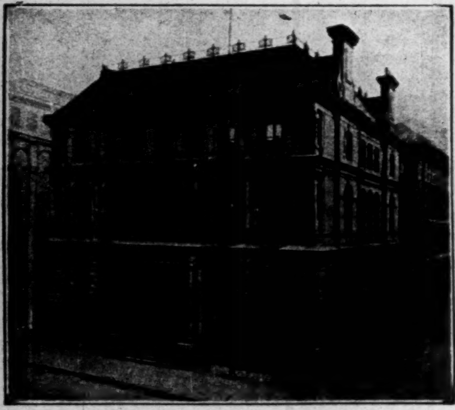
The gross earnings of the Camaguey Electric Company for the month of January were $6,852.27, being an increase of $2,010 or over 70 per cent. compared with January 1906.

BANK OF MONTREAL
(ESTABLISHED 1817)
Capital (all paid up), $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $159,831.84
HEAD OFFICE—MONTREAL
BOARD OF DIRECTORS
Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., Honorary President; Hon. Sir George A. Drummond, K.C.M.G., President; E. S. Clouston, Esq., Vice-President; A. T. Patterson, Esq., R. B. Angus, Esq., E. B. Greenshields, Esq., James Ross, Esq., Hon. Robt. Mackay, Sir William C. Macdonald, R. G. Reid, Esq.
E. S. Clouston, General Manager. A. Macnider, Chief Inspector, and Superintendent of Branches.
H. V. Meredith, Assistant General Manager, and Manager at Montreal.
O. Sweeny, Superintendent of Branches, British Columbia. W. E. Stavert, Superintendent of Branches, Maritime Provinces.
F. J. Hunter, Inspector N. West and Br. Col. Branches. E. P. Winslow, Inspector Ontario Branches.
BRANCHES IN CANADA
Province of Ontario.—Alliston; Almonte; Aurora; Belleville; Bowmanville; Brantford; Brockville; Chatham; Collingwood; Collingwood (Ontario Bank Branch); Cornwall; Deseronto; Eglington; Fenelon Falls; Fort William; Goderich; Guelph; Hamilton; Hamilton, Sherman Ave.; King City; Kingston; Kingston (Ontario Bank Branch); Lindsay; Lindsay (Ontario Bank Branch); Millbrook; London; Mount Forest; Newmarket; Ottawa; Ottawa, Bank Street; Ottawa (Ontario Bank Branch); Paris; Perth; Peterboro; Peterboro (Ontario Bank Branch); Picton; Port Arthur; Port Hope; Sarnia; Stratford; St. Marys; Sudbury; Toronto Front Street, Yonge Street, Wellington Street (Ontario Bank Branch), Queen Street (Ontario Bank Branch), Richmond Street (Ontario Bank Branch), Carlton Street (Ontario Bank Branch); Trenton; Tweed; Wallaceburg; Warsaw; Waterford.
Province of Quebec—Buckingham; Cookshire; Danville; Fraserville: Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Ontario Bank Branch, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town; Sawyerville.
Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.
Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.
Northwest Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.
Province of British Columbia—Armstrong, Enderby, Greenwood, Kelowna, Nelson, New Denver, New Westminster, Nicola, Rossland, Sumerland, Vancouver, Vernon, Victoria.
IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.
IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)
IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineau, Agents), 3 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal.
IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)
BANKERS IN GREAT BRITAIN
LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng, Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches
BANKERS IN THE UNITED STATES
NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
BOSTON, J. B. Moors & Co.
BUFFALO, The Marine Natl. Bank, Buffalo
SAN FRANCISCO, The First National Bank.
" " The Anglo-Californian Bank, Ltd.

Head Office, Montreal

THE MERCHANTS BANK
OF CANADA
ESTABLISHED 1864
Capital Paid-up - - - $6,000,000
Reserved Fund and Undivided Profits 3,674,596
Total Assets - - - 53,000,000
118 Branches and Agencies in Ontario Quebec, Manitoba, Saskatchewan, Alberta, and British Columbia.
A General Banking Business Transacted.
Special attention given to collections
SAVINGS BANK DEPARTMENT
AT ALL BRANCHES.

THE METROPOLITAN BANK
Capital Paid up - - - - - - $1,000,000.00
Reserve Fund and Undivided Profits - $1,183,713.23
DIRECTORS:
S. J. MOORE, President. D. E. THOMSON, K.C., Vice-President.
His Honor W. Mortimer Clark, K.C.
Thomas Bradshaw John Firstbrook James Ryrie
Head Office: TORONTO
W. D. ROSS, General Manager.
GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES


HEAD OFFICE, MONTREAL

THE MOLSONS BANK
Capital paid up, $3,000,000
Reserve Fund, - 3,000,000
JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector
60 BRANCHES THROUGHOUT CANADA

BANQUE D'HOCHELAGA
Capital Authorized, $4,000,000
Capital paid up, $2,000 000 - Reserve Fund, $1,600,000
DIRECTORS:
F. X. ST. CHARLES, ESQ., - - - President
ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ. J. A. VAILLANCOURT, ESQ.
A. TURCOTTE, ESQ. E. H. LEMAY, ESQ. J. M. WILSON, ESQ.
J. A. PRENDERGAST, General Manager. C. A. GIROUX, Manager
HEAD OFFICE - - - - MONTREAL
City Branches—Mount Royal Avenue (corner St. Denis), St. Catherine Street East, St. Catherine Street Centre, Notre Dame Street West, Hochelaga, Maisonneuve, Point St. Charles, St. Henry, Town of St Louis
Branches:—Berthierville, P.Q., Edmonton, Alta., Joliette, P.Q., Laprairie, P.Q., Louiseville, P.Q., Quebec, P.Q., Quebec, St. Roch, Sorel, P.Q., Sherbrooke, P.Q., St. Boniface, Man., St. Hyacinthe, P.Q., St. Jacques L'Achigan, P.Q., St. Jerome, P.Q., St. Pierre, Man., Three Rivers, P.Q., Valleyfield, P.Q., Vankleek Hill, Ont., Winnipeg, Man.

11 King W., Toronto

123 Oxford St., London, England
THE THORNTON-SMITH CO.
Interior Decorators and Designers
We make a Specialty of
Banks, Public Buildings and Offices
Drawings and Estimates Submitted.

THE CANADIAN BANK OF COMMERCE
PAID-UP CAPITAL, - $10,000,000
REST, - - - 5,000,000
Head Office - - TORONTO
BOARD OF DIRECTORS:
B. E. WALKER, Esq., President
ROBERT KILGOUR, Esq., Vice-President
Hon. Geo. A. Cox, Matthew Leggat, Esq. James Crathern, Esq. John Hoskin, Esq., K.C., LL.D.
Joseph W. Flavelle, Esq. A. Kingman, Esq. Hon. L. Melvin Jones, Frederic Nicholls, Esq.
H. D. Warren, Esq. Hon. W. C. Edwards Z. A. Lash, Esq., K. C. E. R Wood, Esq.
Alex. Laird, General Manager
A. H. Ireland, Superintendent of Branches.
168 Branches in Canada, the United States and England
London (England) Branch: 60 Lombard Street, E.C.
S. Cameron Alexander, Manager
New York Agency: 16 Exchange Place
Wm. Gray and H. B. Walker, Agents
Toronto Branch
M. Morris, Manager
C. Cambie, Asst. Manager
This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection bills on any place where there is a bank or banker.
BANKERS IN GREAT BRITAIN
The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

The Dominion Bank
HEAD OFFICE - TORONTO, ONT.
Capital Paid-up - - - - - - $3,000,000
Reserve Fund and Undivided Profits - - - 3,928,000
Deposits by the Public - - - - 36,000,000
Total Assets - - - - - - 49,000,000
DIRECTORS.
E. B. OSLER, M.P., President
WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN JAS. CARRUTHERS J. J. FOY, K.C., M.L.A.
W. R. BROCK R. J. CHRISTIE A. M. NANTON
CLARENCE A. BOGERT, General Manager
H. J. BETHUNE, Chief Inspector
Sterling and Continental Exchange Bought and Sold
Agents in Great Britain—The National Bank of Scotland, Limited, and its branches
Branches and Agents throughout Canada
Commercial and Travellers Letters of Credit issued, available in all parts of the World

THE BANK OF TORONTO
Incorporated 1855
HEAD OFFICE, TORONTO, ONT.
Capital - - $4,000,000
Rest - - - 4,500,000
Assets - - 37,000,000
ACCOUNTS opened for firms, corporations and business men.
MONEY LOANED to responsible people.
LETTERS OF CREDIT issued for Travellers or for Importers, containing every facility for safe and convenient banking.
INTEREST paid on Savings Deposits.
EFFICIENCY and SATISFACTORY SERVICE will be found in every department of our business.
70 Branches in Ontario, Quebec and the West
CORRESPONDENTS IN
NEW YORK - - - National Bank of Commerce
CHICAGO - - - - First National Bank
LONDON, ENG. - London City and Midland Bank
THE BANK OF TORONTO

THE WALL STREET JOURNAL
Founded 1882
Largest Circulation of any Financial Paper in America $1 a month; $12 a year. DOW, JONES & Co., Publishers, 44 Broad St., NEW YORK, N. Y.

THE STERLING BANK
OF CANADA
Head Office, Toronto
General banking business conducted
Correspondents at financial centres abroad.
F. W. BROUGHALL
General Manager.

Authorized Capital $5,000,000
UNITED EMPIRE
Bank of Canada
DIRECTORS
Samuel Barker, M.P., Hamilton, President; Mark Bredin, Toronto; T. Willes Chitty, London, Eng.; George A. Clare, M.P., Preston: E. E. A. DuVernet, Toronto; Lt.-Col. F. T. C. DuVernet, London, Eng.; Rev. T. C. Street Macklem, Toronto; Stanley Marling, J. P., Stroud, Eng.; M. McLaughlin, Toronto; Bennett Rosamond, Almonte; William J. Smith, Toronto.
General Manager, GEORGE P. REID
Head Office, TORONTO
LETTERS OF CREDIT
COLLECTIONS NEGOTIATED AND RECEIVED
CORRESPONDENCE INVITED

BOND INVESTMENTS

We own, and offer at attractive rates

Government and Municipal Securities and Corporation Bonds

which are first mortgages on undoubted security.

SEND FOR CIRCULARS

Dominion Securities Corporation, Limited

26 KING ST. EAST, TORONTO.

R. MOAT & CO.

Stock Brokers

40 Hospital St. MONTREAL

W. R. MILLER — JOHN H. WALLACE

Members Montreal Stock Exchange

D. C. S. MILLER

Telephone Main 3 and 4 Long Distance and Local — Cable Address: "Moat"

RIO de JANEIRO Tramway Light & Power Co.,

Write for our special circular giving information n regard to Organization, Franchises, Earnings, Etc.

BAILLIE, WOOD & CROFT

42 King Street, West, Toronto

STATEMENTS

We are prepared to furnish reports on Investment Securities on request.

Requirements of Investors carefully considered by personal interview or correspondence.

Bonds and Stocks

Bought and Sold on Commission

A. E. Ames & Co., LIMITED

7 & 9 King St. East, Toronto

JOHN STARK & CO.

MEMBERS OF TORONTO STOCK EXCHANGE.

Stock Brokers and Investment Agents

Orders Executed in Toronto, Montreal and New York

FOR CASH OR ON MARGIN

26 TORONTO ST.

Correspondence Invited — TORONTO

E. G. RYKERT & CO.

Members Montreal Stock Exchange

Stocks and Investment Securities

Transact a General Stock Exchange Business

22 St. John Street MONTREAL

The Home Bank has secured the services of Mr. H. F. Forrest as manager of their Winnipeg branch. He has been local manager of the Northern Bank in Winnipeg and during his occupancy of that post since a year ago last November, the Northern built up a very large business. Mr. Forrest knows the west thoroughly. He has been in the Northwest in the Union Bank service for 18 years, and during that time was manager at Calgary, Neepawa and other points. He succeeds Mr. E. R. Dewart, who becomes manager of the Sovereign Bank at Windsor, Ont.

The two new western directors of the Royal Bank, Messrs. George R. Crowe, and D. K. Elliot, are well known Winnipeg business men. Mr. Crowe is the leading spirit of the Northern Elevator Company, and is a director of a number of other western companies. Mr. Elliot is the manager of the large wholesale dry goods house of R. J. Whitla & Co.

ALEXANDER WARDEN. — B. B. O. FRANCIS.

WARDEN & FRANCIS

Financial Agents

Corporation and Municipal Bonds

Confederation Life Building

Telephone Main 4503 — TORONTO

Sun Life Assurance Company of Canada

Evidence Before the Royal Commission Has Proved Best Advertisement Company Ever Had.

COMMENT BY THE MANAGEMENT.

The four months which have elapsed since the close of the sessions of the Royal Commission have shown that the enquiry has been of untold value to the Sun Life of Canada. The evidence brought out as never before its great strength, the high quality and absolute safety of its investments, their profitable character, the large profits paid to its policy-holders, and the good faith of its director and officers. Now that the full report has been issued, the management note with satisfaction that the criticisms of the company are few. It is true that the Commissioners felt compelled to find some fault, but most of the points mentioned are of very minor import.

The Commissioners "do not find any necessity for the increase of capital stock in 1897" from $500,000 subscribed, $75,000 paid up, to $700,000 subscribed, $105,000 paid up, as at present.

Several of the states which we desired to enter required a minimum paid-up capital of $100,000. Even apart from this, however, and even if it were granted that the increase was not absolutely necessary, that it was highly desirable can hardly be doubted. In 1897 the company had policy liabilities of about $7,000,000, and to-day those liabilities are about $23,000,000. The disparity between liabilities of $23,000 and a capital of $75,000 need not be dwelt on. Few will, we think, agree with the Commissioners in considering the increase to $105,000 unwise. The management does not favor excessive capitalization, but it is of opinion that if the capital of the company be open to criticism, it is because it is too small rather than too large.

Reference is made to the fact that the company pays dividends to its shareholders of fifteen per cent. True. But that this may be seen in its real proportion it is only necessary to state that these yearly dividends since 1897 have been but $15,750, and as the capital itself earned at least five per cent., only $10,500 per annum came from the profits of the company. The actual profit earned last year was $921,721.34. Was $10,500 an excessive sum to pay from this to the shareholders, who stand as guarantors to the policy-holders, not merely for $105,000, but for $700,000 of subscribed capital?

But if fault be found with the increase of capital, the terms upon which the extra stock was issued should, in fairness, be stated. For each share on which but $15 was paid up ($100 subscribed), the company received in hard cash $45, or three hundred per cent. Dividends have been paid only on the $15, not on the $45. At five per cent. interest, the $45 earned the entire dividend, so that the additional stock has not cost the policy-holders one dollar since it was issued in 1897, and so long as five per cent. interest can be earned, it will cost them one dollar for all time to come, unless the rate of dividend be increased. By the issue of this stock, $90,000 of additional cash was paid in for the security of the policy-holders, of which $60,000 (the premium) went into the general surplus, and the shareholders also became liable for another $170,000 of subscribed but uncalled stock, and all this has cost the policy-holders for the ten years—ABSOLUTELY NOTHING!

Another point that might in fairness have been mentioned is that although the charter leaves the decision of what amounts shall be paid to shareholders absolutely to the discretion of the directors, that proportion has been voluntarily reduced to five per cent., the policy-holders receiving 95 per cent., although the usual proportions are 10 and 90. The interests of the policy-holders have always been first with the Sun Life of Canada.

A few other unimportant matters are also referred to. The so-called "concealed" expenses, consist principally of small expenses connected with certain securities which were, as we consider correctly, deducted from the profit made from the sale of those securities. This is certainly the course which nine out of ten bookkeepers would consider right. However, these matters were all explained in detail, and we think satisfactorily, at the sittings of the Commission, and were fully reported in the press. The public are the real judges in this matter, and that the public were eminently satisfied with the company's evidence, has been shown by showers of congratulations. The investigation has, in fact proved a huge advertisement for the company—the best in its entire history—because the facts brought out met with the approval of the public. Under these circumstances we are well satisfied even though the Commissioners have not seen eye to eye with us on some minor points.

WATER TREATMENT

WALL STREET IS MUCH DEPRESSED BY COLD PLUNGES.

Its Business Methods Scare the Public—The Revelations in the Railway Enquiry—Great Necessities for Revenues—The Panic Probability.

New York, March 7.—Wall Street is suffering from the water treatment. The continued issuing of new stock, bonds and short term bills for loans, combined with the inflation of values of some securities to a level as high or higher than before the increases in capital were made, have developed in the average investor and speculative investor to say nothing of the investor pure and simple, an amount of conservatism never before shown in the Street. Corporation earnings have of course largely increased, but they have not in many instances kept pace with the necessity that exists for greater net income. Not only have the increased dividends consumed a greater portion of the net earnings but the new stock issues and new bond issues have provided a place ready to hand for the net receipts as fast as they accrue. This is a phase of the situation well worth considering. It is pregnant with suggestion. If fixed charges and dividend requirements absorb the net incomes of some of the leading corporations in times of great national prosperity like the present, what must be the result when the business of the country shows a shrinkage? Perhaps some of the high financiers can explain how it can be met other than by passing dividends and perhaps defaulting on bond interest. If they can it would interesting to know it.

The market has been showing its sense of this situation.

Effect of the Railway Enquiry.

The recent developments before the Interstate commission at Washington have been disquieting. If there was mistrust before, that feeling has since become intensified. The investing public has perceived by what has developed at this enquiry, some of the methods of the up-to-date finance—a sort of a comic opera finance it might appear to seem if unfortunately it were not all too true. The disingenuous attitude of Mr. Harriman in regard to some of the questions taken up, has made the public even more distrustful than they were before the enquiry began. It has been seen how some of the railways have been used to put millions of dollars into the pockets of a select few and often to the great disadvantage of the shareholders. And since uncertainty is often more disquieting than a plain straightforward, unvarnished tale, the refusal to give information along certain lines sought, has created an impression much more unfavorable to the situation than would have been done by the whole truth. Certain facts have been withheld and how important they are the average investor is unable to tell. There is an impression abroad that some stocks should be avoided by the average investor till it can be demonstrated that there is no reason why those in control should not take the public, and especially the shareholders, into their confidence.

Wall Street Business Methods.

Formerly a very important element in speculation was the presence of capitalists closely identified with leading industrial and mercantile interests. These have largely disappeared from Wall Street. The reason is not far to seek. The business methods of Wall Street do not appeal to business men engaged in other than financial operations. Call money may be quoted at 50 per cent. one day and within 24 hours the rate may drop to under 5 without any change taking place otherwise in the financial situation. Such spectacular performances are not seen in other lines of business and when they occur in the call money market many are inclined to look askance at propositions that in ordinary conditions seem to be fairly attractive. The fact in a nutshell is that Wall Street methods have to a large extent alienated the conservative business man. Whether the Aldrich Currency Act will furnish any measure of cure will be watched with interest.

The Situation.

It is the feeling that money may become stringent. One indication is the fact that the banks are not in a position to loan very largely. The legitimate requirements of trade are absorbing and have tied up temporarily large quantities of funds. The cloud of new issues of notes and bonds here and abroad, the high cost of labor and the largely increased cost of raw material as well as finished product are all tending to make money more scarce and dearer. To use the words of a financial authority, "the banks are poor." There are many short term notes out at high rates of interest. Some method will have to be devised to meet these when they fall due. The effect that will have on the general financial situation remains to be seen.

Crop News.

Most important just now is the crop situation. The drop in the prices of wheat recently should have a reassuring effect in this connection. But it is too early to tell. Crop reports should be watched closely.

The Treasury Department Change.

There is naturally uneasiness about the change in the secretaryship of the treasury. Mr. Shaw was courageous and resourceful and while the financial men of the country did not always get all they wanted from him he possessed their confidence. The new secretary is a Roosevelt man and it assumed from that fact that he will not be very much in sympathy with Wall Street.

About Prices.

Predictions are made that the decline that has been pretty steady for some months will go on and culminate in a panic. If predictions were all that are necessary to that end the panic would be about due now. But the fact remains that the business of the country is in a prosperous condition, credits are sound to all appearances and stocks of merchandise being comparatively light, it is not difficult to maintain prices.

Canada and the Steel Trust.

Much has been heard about the Steel Corporation erecting plants in Canada. The trust has not gone to sleep over that project. They are fully alive to its importance. This statement is credited to a leading official of the concern. The obvious thing for the U.S. Steel Trust to do is to start manufacturing in the Dominion. That would be the best way to meet the countervailing duties. That course would be followed to-mororw if the conditions were considered satisfactory. The whole thing hinges on that. In the meantime the ore conditions are being looked into. The Detroit River site offers an accessible locale for the northern ore shipments.

A. J. CANUCK.

Mr. C. A. Bogert, general manager of the Dominion Bank, sails from New York for the Continent on March 16th. It is his first holiday since assuming the present office.

Cable Address, "OSLER."

Osler & Hammond

Stock Brokers and Financial Agents

MEMBERS TORONTO STOCK EXCHANGE

21 Jordan Street - - TORONTO

Osler, Hammond & Nanton

Stock Brokers

Corner Main and McDermid Streets WINNIPEG, MAN.

BUY AND SELL ON COMMISSION STOCKS AND BONDS

ON TORONTO, MONTREAL, NEW YORK AND LONDON EXCHANGES

SIR HENRY MILL PELLATT — NORMAN MACRAE

Pellatt & Pellatt

STOCK BROKERS and FINANCIAL AGENTS

36 King St. East - Toronto

Toronto, Montreal and New York Stocks and Bonds Bought and Sold for Cash or on Margin; also Execute Orders in Grain and Provisions on the Chicago Board of Trade.

Agents in Edinburgh and London

MEMBERS OF THE TORONTO STOCK EXCHANGE

Cable Address "PELLATT"

Cable Address, Ostran — H. C. OSBORN

Telephone, M. 7445 — G. L. FRANCIS

" M. 7446 — J. E. OSBORNE

OSBORNE & FRANCIS

Members Toronto Stock Exchange

52-54 King St. W.,

TORONTO, - - CANADA

Stock Brokers, Railroad and Corporation Bonds, Municipal Debentures.

W. GIBSON CASSELS — Cable Address—Cassels, Toronto — R. S. CASSELS

CASSELS, SON & CO.

Members Toronto Stock Exchange.

STOCK BROKERS AND FINANCIAL AGENTS

Direct connections with all Canadian and American Exchanges.

CANADA LIFE BUILDING

TELEPHONE MAIN 213 — Toronto, Canada.

Ottawa Fire Insurance Company

Head Office, - - OTTAWA, CANADA

President, CHAS. MAGEE

Vice-Pres., HON. W. C. EDWARDS

2nd Vice-Pres., W. S. ODELL

C. E. Corbold, Manager.

THE FINANCIAL POST

OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in, he case of Official reports of annual or other meetings of corporations.

The acceptance and insertion of an advertisemen shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

Advertising Rates

$2.00 per inch single insertion.
$1.50 per inch each issue for six months.
$1.00 per inch each issue for one year.

Subscription Price

$3.00 per annum to any address in Canada, Great Britain, the United States or Europe.

Single copies 10c. each.

Published by the
FINANCIAL POST COMPANY,
Publication Office: 10 Front St. East, Toronto.
Montreal, 232 McGill St. Winnipeg, 511 Union Bank Bldg. London, Eng., 88 Fleet St., E.C.

President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, March 9, 1907.

THE LONDON LESSON.

Since the Ides of March, that is to say the second of March, municipally speaking, with all due respect to that unsuccessful example of public ownership, the Roman Republic, we have not heard much about the subject from the journals which have been in the vanguard of "public rights." There is no country where a fairer trial could have been given than in Great Britain. Let us omit London, where conditions may have been unduly socialistic and detrimental, as is the inclination in all great cities. Municipal operation has been found wanting with only a rare exception "to prove the rule" in every municipality in the British Isles. There we have a class of men which does not prevail in newer countries. The old country man of leisure, unlike his Trans-Atlantic shadow, is one interested in politics and public welfare. Moreover, the man of business in Little England is still big enough to take an interest in the general weal and not carelessly to pay tribute for the sake of relieving himself of respectable responsibility. In America we are largely wanting in a sense of public responsibility. We are improving as the years go on. In the meantime we are so busy that the public interests from the personal view-point make few demands upon us. We prefer our own sordid business and our own sordid recreations to any considerations of the general good. Altruism is a classic myth. It belongs to the glories of the imagination.

Yet being still formative, there is a great temptation in our communities with that elan which is given by new-founded prosperity and the spirit of "Excelsior," to imagine that we should begin aright and create a nice little Elysium of our own without a Charon or Persephone;—yet somehow or another the toll-taker and the lady appear.

In Canada we can wait on this subject. Let a better, an older civilization solve the difficulty. In the meantime we can make good bargains. No municipality in the universe has ever made a more satisfactory arrangement than the city of Toronto with the Street Railway Company. It possesses all, the qualities of municipal participation, with none of the tragedies of municipal operation.

The subject is a moot point in our great growing western towns. Let them profit by Toronto's example, which has secured the maximum of profit out of a tramway, which is one of the worst-maligned and best operated surface systems on the continent.

Participation is the objective point for our growing community. Let us hope that Winnipeg and all our other overdrawn but splendid municipal entities in the west will not be too eager to show the universe what their growing pains can bring forth, but will abide the more regular and quiet parturition of ideals which must first be consummated in the more sympathetic environments of older communities.

THE DECREASE IN DEPOSITS.

The decrease in deposits of Canadian banks between December and January amounting to $17,228,891, has troubled the minds of a number of financial writers. A variety of reasons were assigned, but it was quite unnecessary to go so far afield as Cobalt stocks or the tightness of money or even the interruption of traffic in the west, which was doubtless a small contributory quantity.

In January deposits have always a seasonable contraction, just as circulation has. The banks which are most concerned in the larger operations of the country, especially those holding railway and contractors' accounts, are bound to show a decrease. The first of the year dividend disbursements are enough to create a wide distribution which may not return during the month, especially since all the Christmas outlay must largely be paid for. Canadian banks on the first of January paid out in dividends on their own stocks over $4,000,000. Loan companies give out about $700,000, and other companies sufficiently over a million to make the total $6,000,000. Of this sum a large portion does not immediately return to the banks.

Window-dressing for the end of the year is another factor. All companies are desirous of showing good balances at their bankers and none more so than the insurance companies.

Circumstances arise, especially in the case of banks carrying large railway accounts, where they may have deposits of a temporary nature. Senator Cox, president of the Bank of Commerce, pointed out in his annual report that certain deposits in that bank were of a temporary character. The Bank of Commerce's deposits in January were $6,000,000 less than in December, but they still showed an increase of $12,500,000 over the previous January, or an increase of 18 per cent.

As a matter of fact some institutions doing a local business, such as the French-Canadian banks, showed a gain in deposits. The banks, which contributed in amounts over half a million to the decrease, are among those which transact business all over the Dominion and elsewhere. The banks contributing in this respect, stating the figures in round numbers, were: Bank of Commerce, $6,000,000; Bank of Montreal, $2,000,000; Merchants Bank, $1,500,000; Union, Imperial and Sovereign, $1,000,000 each; Royal, Dominion, Ottawa, Hamilton, Standard, $500,000 each.

THE UNCLE SAM OIL COMPANY.

The Uncle Sam Oil Company is one of the American concerns which have had large advertisements in Canadian newspapers of late. It has recently been trying to sell an issue of $5,000,000 bonds. It states its assets as follows:

Cherryvale Uncle Sam Refinery No. 1 (twenty acres)	$ 90,000
Atchison Uncle Sam Refinery No. 2 (fifty acres)	145,000
Tulsa refinery, Uncle Sam No. 3, (twelve acres)	110,000
1,100 acre lot 43, oil rights ...	250,000
171 miles main trunk pipe line and laterals	365,000
All other holdings and leases	165,000
Sixty-eight distributing stations and equipment thus far completed	135,000
Manufactured and crude oil in storage and in transit	120,000
Thirty-two tank cars	30,000
Fifty-seven acres land, Wyandotte county, Kansas	6,000
Money subscribed on contract stock already allotted from treasury, approximately ...	35,000
Office furniture and fixtures at Tulsa, Bartlesville, Cherryvale, Kansas City, Atchison	6,000
Cash on hand	12,000
Total	$1,469,000

The Financial World of New York says:

"Every one of the above items, with possibly the exception of deferred payment on stocks and cash on hand, is inflated. If this whole property was sold under the hammer we question if it would bring 10 per cent. of the above amounts. Think of valuing all other oil holdings and leases at $165,000, shanties used as distribution stations at $135,000, manufactured and crude oil in storage and in transit at $120,000 and thirty tank cars at $30,000, when good tank cars can be bought for much less than $5,000 apiece. The only item in this statement that has the appearance of truth to it is the cash on hand item of $12,000.

"This item proves our contention that this is about the most gigantic fake that has come from out of the west for a good many years. Such a rotten financial exhibition if it was published in the east by any company would send shareholders scurrying to get a receiver appointed to protect their interest from reckless mismanagement. But these promoters, however, think it warrants a $5,000,000 bond issue. The whole scheme is tottering upon ruin."

THE COBALT STOCKS.

The mining stocks during the past week have declined in comomn with the other exchanges. Peterson Lake is the only issue that was not marked down. The strike on the neighboring Nova Scotia and the change in the management has helped this issue. Nipissing, which is now quoted on the actual price instead of the percentage on the Toronto exhange has held tolerably well. A New York dispatch yesterday stated the company were to build accommodation for additional laborers that would admit of 600 being employed on the property. Up to March 2nd, it had shipped 540 tons, chiefly of low value. Green-Meehan, which has not sent out another car last week remains around par or 60 points below the price it was put on the market. Trethewey was weak, while Foster was tolerably steady. Coniagas on good reports of shipments was firm. Dealings were quite numerous in the list.

COBALT MINES

(Continued from page 1.)

small an amount have to-day a mine of great promise, and one which may rival the best producers in Cobalt camp.
CONSULTING ENGINEER.

The Nipissing Find.

A significant feature of the week has been the finding of a very valuable nugget on vein 26 of the Nipissing. It is stated that the weight is 4,000 pounds and there is 65 per cent. of silver. It looks as though the Nipissing veins were not growing barren with depth.

This was the original big vein of the property before 49 began to show large results. The ore shoot on 26 has been opened for nearly 200 feet and a 70-foot portion to the south had been cut to a depth of 60 feet. The vein averaged 4 inches in width. A horizontal fault occurred at a depth of 40 feet, but the vein was found after drifting twenty feet, and as the sinking proceeded, the values increased, resulting in this valuable disclosure. The circumstance is interesting as indicating that when a fault occurs in the Cobalt veins it does not mean that the vein has given out. The same thing has happened in the La Rose and Trethewey properties. The value of the ore shipped in February is stated at $60,000, which indicates much low-grade material.

McKinley-Darragh.

A Cobalt despatch says: While drifting to connect No. 1 and 2 shafts on the McKinley-Darragh property, a good strike was made at the 150-foot level, which will materially enhance the value of the property as the vein struck is a new one. It is about 153 feet from No. 1 lead, and 200 feet from No. 2 lead. It is from 3 to 6 inches in width, and will probably assay from 1,000 to 1,500 ounces, as native silver and argentite are plainly visible in the specimens.

Peterson Lake.

The rise in Peterson Lake is attributed to two facts, the change in management and the rich strike on the Nova Scotia mine in the immediate neighborhood. The Evening News' Cobalt correspondent says:

"The Boston and New York syndicate, who have secured the property, will begin sinking shafts at once with 60 to 75 men, and prospect work will commence along the shores of the lake. It is second only to the Nipissing in acreage, of which about 116 acres are under water. Spring has been awaited to complete the cut, and the level of the lake will have to be lowered ten feet before operations on a larger scale can commence. Fifteen veins have been traced to the lake from the Nipissing, Nova Scotia and Gillies Limit mines. The Nova Scotia mine, where a lucky strike has recently been made, is situated directly to the east and above Peterson Lake. As before stated, a stringer was unexpectedly struck at the 110-foot level, while following another vein, and it has panned out very rich. It was all the way from one to seven inches wide, and an average about four inches. There was no need to assay much of the ore taken out, it was the straight stuff. The shaft on which the lucky strike was made is down 135 feet. Another shaft on the property is about 270 feet away from No. 1, and it was while drifting to connect the two shafts that the silver was accidentally uncovered.

BANK CLEARINGS.

No Sign of Reaction—Gains at Every Centre Except Montreal.

The bank clearings continue to show a very active state of business throughout the Dominion as a whole with the exception of Montreal which still records a decrease, but one which is more than offset by the gain in either Toronto or Winnipeg, where the clearings have been exhibiting marked gains. Winnipeg clearings are now reaching a high water-mark and the gain over the same week last year is 38.4 per cent.

There is not much sign of a business reaction if one is to accept these figures:

Week Ending March 7.

	1907	1906
Montreal	$27,739,705	$29,380,607
Toronto	25,932,690	22,373,325
Winnipeg	10,194,463	7,365,433
Vancouver .. .	3,508,423	2,027,236
Ottawa	3,489,107	2,658,128
Quebec	1,868,353	2,070,541
Hamilton	1,698,031	1,469,993
Halifax	1,583,240	1,602,853
St. John	1,217,015	997,039
London	1,470,408	1,269,441
Victoria	963,733	819,259
Calgary	1,537,076	
Edmonton	937,605	

HAVANA ELECTRIC.

The re-organization of the company was completed this week at the adjourned meeting in Jersey City. Mr. E. Hanson, of Montreal, resigned as president, being opposed to any increase in dividends under present conditions until the floating debt of the company is disposed of. The Cuban interests represented by Mr. Frank Steinhart, of Havana control two-thirds of the capital. The net earnings for 1906 are said to be about $70,000 less than in 1905, when they were $728,785.

The new directors are, Warrent Bicknell, traction man of Cleveland; David T. Davis; Robert Mather, of the Rock Island and Railway interests; Walter Goakman, of the Guarantee Trust Co.; James Rattray and Samuel San Miguel, Henry Runken, Carlos Zaldo and Frank Steinhart. The last four are of Havana.

Mr. Sam Miguel is editor of La Lucha; Zaldo is president of the Bank of Havana; Runken is of the Cuban banking house of Upmann & Co., and Steinhart is United States Consul-General at Havana. He will resign shortly to represent the interests of Speyer & Co., in Cuba.

H. L. Ashley, who was secretary and treasurer of the old board, was re-elected.

THE SECURITY REVIEW

(Continued from page 1.)

ed $40,000. The interest on a loan of $50,000 made by the company for new construction work was $2,922. The balance of the net earnings, $20,000, was added to rest, increasing that account to $60,000.

Canadian Pacific.

The New York commentators have been pointing out that C.P.R. has held up fictitiously and that sooner or later it must get down nearer to the other seven per cent. payers, in other words, around 150. At one time during the week a hard drive resulted in a very rapid decline, but the stock showed great resiliency. It must be remembered that last week 3½ points came off in the dividend so that the depreciation is not as great as it appears. It is likely that the weak elements of the long accounts in London have been obliterated so that there is not the same danger as might be expected in this direction. The pools in C.P.R. that we are always hearing about are generally existent in the writers' imaginations.

Soo.

The directors meet on March 15th and there is every likelihood that some action will be taken on the dividend. The stock has joined in the general slump as there is a floating supply of small dimensions in weak hands. The traffic prospects of the road now that the Winter of its discontent is passed are treated in another column.

The net earnings for January, of which the official statement is just to hand, were only $138,175 as against $400,417 last year. The operating expenses jumped from 53 to 80 per cent. of gross earnings. The actual situation now is that Soo's net earnings for the seven months ending January 31st are $3,513,078, or $339,086 less than in corresponding period of last year. This deficiency should however be quickly overcome.

Rios.

In spite of the good news about the sale in London of the remaining $4,290,000 of bonds announced in The Post last week, the stock has not been immune from the general weakness, especially as a considerable line has been put out in Canada. The Brazilian coffee situation will merit watching by holders of Rios and Sao Paulo.

Sao Paulo.

The suggested increase in dividend does not seem to be warranted either by present earnings or the market movement of the stock.

Canadian General Electric.

The usual dividend on the ten per cent. basis has been declared so that all idea of a decrease has been dissipated. A more favorable statement is expected. The president assured The Post recently that no dividends would be paid unless they had been earned.

Twin City.

At present prices and in view of excellent increases in earnings Twin City offers a most attractive investment proposition. At any figure below par it should be a most excellent purchase. Out of the earnings of 1906, $482,000 was appropriated for depreciation.

Dominion Steel.

As pointed out above it has been an exception to the declines in the past week. Some people have been encouraged into the belief that the steel troubles are soon to be composed. Steel common hardly appears worth the money as yet but it is in the hands of very clever people.

Mackays.

The common shared in the general activity and declines. Its market price however, holds up in an excellent manner. Between Dominion Coal and Mackay common at four per cent., the latter seems the better choice.

Dominion Bank.

These shares end the week without any decline. The new issue of stock has been taken up with great alacrity, evidencing the confidence of the shareholders. At 240 it yields just five per cent. and a gilt edged bank stock at this figure can be recommended to the widow and the orphan.

Montreal Street.

Having had its declension in the Autumn, Montreal Street does not drop deeper into the ditch. Its earnings are increasing daily and for last week its gains on four days were $5,200, an average of $1,300 per day. When the atmosphere clears it should be among the first to make an upward move.

Consumers Gas.

The Gas Company has notified the city of Toronto that it will sell 6,000 shares of $50 par value making a total of $300,000 on June 6th. Unless the Board of Control is foolish enough to purchase the shares, the market price of gas should drop somewhat in anticipation. If the city goes into the market it will pay a goodish price. There is absolutely no reason why the city should buy into the company. It has an excellent bargain and the increase of the city's interests will not make for any better administration. That is excellent already and aldermen will not improve upon it.

Chicago & Milwaukee Electric.

One-half of the $2,000,000 of Chicago and Milwaukee Electric Railroad notes which were offered by the Western Trust Co. of Chicago have been taken by banking houses in Holland, a little country which has always accorded large support to American securities. These notes are for a term of two years bearing interest at 6 per cent. and are secured by $2,500,000 first mortgage 5 per cent. bonds of the Wisconsin division. The company is divided into two divisions, the Illinois and Wisconsin, each having a separate charter in their respective States, but under one control. The Wisconsin division bonds are issued to complete the construction to Milwaukee. The road is now within fifteen miles of that city and will be finished to that point by September next.

THE STOCK QUESTION

SECOND ARTICLE ON WHAT CERTIFICATES MEAN.

Care in the Purchase of Stocks — The Rule is Caveat Emptor—A Purchaser Should Buy Stock as He Would a Picture—The Futility of Appraising a Concern by its Stock Issues.

An earlier article pointed ou the legal and the economic position of a share of stock. Understanding these gives a sufficient clue for the unravelling of many difficulties and misunderstandings about the "capitalization" of corporations. Legally, a share of stock is a right to participate in the profits of an enterprise. Economically, such profits accruing to the ownership of stock represent a return for the assumption of risk, and also in greater or less degree the return strictly due to capital.

When bonds represent a large part of the "capitalization" of a corporation the return to stockholders on the score of assumption of risk appears even not so very different from an insurance premium. The shore of the capital the stockholders contribute may in possible vicissitudes of the undertaking be wiped out, and it absorbs the risk. Holders of a strictly non-speculative bond accept a comparatively small return in seasons of success because the shareholders lift the onus of risk from their shoulders.

With this conception of the nature of a share of stock in mind, we are ready to begin a consideration of the alleged deception of the public by watered stock. Such charges of deception take two general forms. The promoter or organizer of corporate undertakings, it is said, issues stock to the amount of a million dollars when anyone could duplicate all the property belonging to the corporation for a hundred thousand dollars. If such a promoter sells his stock for a million dollars he has, it is said, grossly wronged the public. Also it is said that the managers of corporate undertakings by having a million dollars of stock outstanding, when a hundred thousand dollars would duplicate all the assets of the company, are able to deceive the public about the true profits of the enterprise.

Consider each contention in turn. Suppose an organizer of corporations offers the public a million dollars of stock when a hundred thousand dollars would duplicate the assets of the company. Remembering that a share of stock only represents a right to participate in the profits of the enterprise, what is a share in such a company worth? Obviously that depends altogether on what earnings the company can make.

If the purchaser pays a hundred dollars for each share, and finds that he is getting less return that the bank interest on ten dollars, when he expected at least a return equal to the bank interest on a hundred dollars, presumably he has deceived himself or the promoter has deceived him.

Many people would be ashamed to show the gross ignorance or carelessness in buying a pair of shoes or a ton of coal that they show in buying a share of stock costing a score of times as much as either. And the daily successful flotations of the stock of preposterous undertakings lends point to P. T. Barnum's remark, "The public likes to be humbugged," when, indeed, it will gladly pay more than the price of admission to the circus for the privilege.

If the investor or speculator will not inquire what he is getting for his money, whom has he to blame in the first place if he does not get what he hoped? In buying stock, above all things, the doctrine of "caveat emptor" (let the buyer beware) applies. The purchaser gets nothing tangible but a piece of paper, costing, in the first instance, a fraction of a cent, and spoiled so far as its value as paper is concerned by the printing on it. Its only worth is as evidence of a right, and the value of that right is a matter of inquiry. If a dealer should come to a collector of paintings and offer him a canvas bearing whatever sign manual Valasquez used for his "pinxit," would the collector purchase without some further evidence of authenticity? Yet a share of stock carrying on its face "of the par value of $100" has about it far less intrinsic evidence of its value.

He who advocates a greater Government concern with the management of corporate affairs says that the promoters of corporations do not give enough information to judge of the merit back of the stock. Would the collector who found that in some unguarded moment he had bought for a Valasquez an entirely spurious canvas complain therefore that the Government did not sufficiently concern itself with artistic affairs?

No amount of legislation for publicity of corporate affairs would bring information to light so quickly and fully as the refusal of men to buy stock blindly. The real foundation for the success of the wild-cat promoter in getting something himself for nothing lies in the eager desire of so many other people to get something for nothing, and the persistency of their belief that something will be given them for nothing.

An advocate of further government concern in corporate affairs might with greater force say they are so intricate that even if they were disclosed the ordinary investor would not be able to determine the real value of a share. There would be some substance to the objection. But it would be safe to predict that as soon as the large mass of investors, who are not themselves in a position to decide on value, demand information before they purchase, there will grow up a class of expert financial advisers just as there has grown up, as soon as the demand arose, a class of expert free lance accountants. Few people of ordinary contact with affairs follow their own ideas on a complex legal problem. Something akin to such a class of expert financial advisers has grown up in the large bond houses, which, to a certain extent, stake their reputation on their judgment of the investments they offer their clients, and in a few—very few—reputable journals which make a special effort to secure reliable information.

The second general class of objections to capitalizations greater than the cost of duplicating the properties lies in the means such capitalization afford of concealing exorbitant profits. The man who speaks of exorbitant profit assumes that there is some normal fair return due to the share of capital in the production of new wealth.

What, as a matter of fact, does represent the proper return to the share of capital? What at any given moment is capital worth? May we not fairly say that the value of capital as such is indicated most delicately from day to day in the current money rates of the banks? These are as sensitive to economic conditions as the nicest thermometer to temperatures. When we examine corporate securities from which the element of risk is practically absent, say the first mortgage bonds of an active earning enterprise issued up to 50 per cent, of the cost of duplicating the plant, a case in which there can be no question of "water," do we not find the income return tending to approximate the current money rates? Though, of course, the current money rates at the banks change more nimbly than income returns, the income from non-speculative or non-risk-carrying securities always tends to equal the bank loan rates.

When we come to speculative, or risk-bearing securities, how can we determine what is a normal and proper profit? If there were no risk connected with such securities we have already seen what might be taken as a fair return. And at any rate, is it not a very superficial enquiry into the bearing of capitalization on such returns that cannot see that ten one-thousandths is essentially the same as one one-hundredth. In other words, if there is to be any inquiry into so difficult a matter to determine as the proper return on a risk-bearing security, should not the investigators go deeper than the appearance presented by capitalization? Would it not be more reasonable than compelling capitalization to afford an index of the fairness of profits to say that any profit is fair so long as the means are taken to gain it are fair? For example, in the United States it is decided that the granting of rebates in transportation charges is an unfair means to profits. Even if in public service corporations a limitation of rates is desirable it must be indeed a superficial observer who could not penetrate deeper than any alleged disguise of capitalization.

W. H. LYON.

A PLEASANT OCCASION.

Mr. Lorne Campbell's Opening of the New Wire with His New York House.

The life of the broker has fortunately its amenities, otherwise how could he have endured the "shafts of outrageous fortune" which the past week has hurled upon him? Mr. J. Lorne Campbell, who, in these days of mining booms has discarded his military title, opened on Monday his new offices, situated in the Osler & Hammond building on Jordan street, in the city of Toronto. Mr. Campbell is the Toronto representative of the well known New York firm of Dann & Robinson, and Mr. Arthur Robinson came to Toronto to assist at the inauguration of the new offices, which are most conveniently situated and admirably equipped. All the members of the Toronto Stock Exchange were present and a buffet luncheon was served, the sideboard furnishing a happy relief to the blackboard, which at the time was not supplying the same comforting transactions as the hosts. Mr. Robinson, who received with Mr. Campbell, is a fine type of the well-informed and well-balanced New York broker, and if he is representative of the younger school of Wall street men there is every hope that the confidence of the public in the leading exchange of the world may be improved.

The Toronto wire has the advantage of only one other office on the line—the Buffalo connection of the firm—but as that is largely a bond business, the Toronto transactions have practically a clear line to the floor of the exchange.

THE FINANCIAL CALENDAR.

Week ending March 16th.

Annual Meetings.

March 11.—Mail Printing Co.
" 12.—Canada Paper Co.
" 13.—Union Bank of Halifax.
" 14.—Canadian Rubber Co.
E. N. Heney Company.

Dividends Payable.

March 15.—Canada Northwest Land Co.
Return of capital $12.50 per share.
Northern Ohio Traction ½ quarterly.
Montreal Loan 3½ S.A. bonus 1 per cent.
Montreal Cotton 1¾ quarterly.
Canada Col. Cotton, 1 quarterly.
McKinley-Darragh Mine 2 per cent. interim.

The annual meeting of the Nipissing Mines Co. will be held at Augusta, Me., on April 1st.

IMPERIAL BANK of Canada

ESTABLISHED 1875

HEAD OFFICE, - - TORONTO

Capital Paid-up - - - $4,700,000
Rest - - - - - 4,700,000

A GENERAL BANKING BUSINESS TRANSACTED.

Savings Department at all Branches. Interest allowed on deposits of One Dollar and upwards and credited four times a year.

TRAVELLERS' LETTERS OF CREDIT issued payable in all parts of the world.

THE HOME BANK OF CANADA

Head Office and Toronto Branch:
8 KING STREET WEST

Branches of the Home Bank of Canada

TORONTO and Head Office 8 King St. W., TORONTO
Queen and Bathurst Sts. TORONTO
ALLISTON - - - Ontario
BELLE RIVER - - "
CANNINGTON - - "
FERNIE - British Columbia
LAWRENCE STATION, Ontario
MELBOURNE - - - "
ST. THOMAS - - - "
WALKERVILLE - - - "
WINNIPEG - - - Manitoba

Transacts a general banking business. Interest allowed on Savings Accounts from One Dollar upwards. Drafts issued on all principal points in Canada and United States. Sterling Exchange bought and sold.

JAMES MASON, General Manager

The Union Trust Co. LIMITED

Temple Building, Toronto

Assignees, Guardians, Executors, Administrators and General Financial Agents

Interest at 4% allowed on Deposits of $1.00 and upwards

The Canada Northwest Land Company, Limited

NOTICE is hereby given that the Annual General Meeting of the Shareholders of this Company will be held at the Head Office of the Company, No. 21 Jordan Street, Toronto, on Wednesday, 27th day of March next, at twelve o'clock noon, to receive a statement of the affairs of the Company for the year ending 31st December last; to receive and consider the schedule prepared in terms of Section 12 of the Act of Incorporation; to elect Directors and for other business. By order of the Board.

S. B. SYKES, Secretary-Treasurer.

Dated at Toronto this 11th day of February, 1907. 11-5

W. H. Brouse Geo. G. Mitchell T. Ross Boys E. Gordon Wills

BROUSE, MITCHELL & CO.

Members of Toronto Stock Exchange

Office: 19 Colborne St. (S.-W. Cor. Scott Street)

TORONTO, CANADA

Stocks bought and sold on Toronto, Montreal, New York and London, Eng., Exchanges

Government and Municipal Debentures and Investment Securities Dealt in on Commission or Otherwise.

The Financial Post has received an order from one firm in London, England, for 40 copies per week.

The British Clumbia Electric Railway has issued £300,000, 4½ per cent. perpetual consolidated debentures at 98 per cent.

Granby Consolidated has announced a quarterly dividend of two per cent. and a bonus of one per cent., instead of the usual interim three per cent.

CANADA'S WHEAT TRADE

FIFTH AMONG THE FOOD SUPPLIERS OF GREAT BRITAIN.

Increase in Flour Exports—Manitoba Discontent With Its Subsidies—More Railway Contracts—Two Successful Western Companies.

Winnipeg, March 4.

The demand for money is increasing and the market continues to be tight. Collections are coming in slowly, although wheat is moving out at the rate of from 100 to 200 cars per day.

Canada and the Wheat Trade.

Mr. P. B. McNamara, Canadian trade agent at Manchester, reports that the imports of wheat from Canada into the United Kingdom in 1906 almost doubled and that the Dominion moved up to fifth place in the food supplying countries of the Motherland.

The imports from Russia declined nearly forty per cent., while those from Canada increased over forty per cent. The leading figures were:

	Cwts.
United States	22,490,900
Argentina	19,176,500
Russia	15,017,500
British East Indies	12,636,200
Canada	11,309,700

Flour Export Increasing Daily.

There is no abatement in the demand for Canadian flour in the Orient. The Ogilvie Flour Mills Co. report further sales of 40,000 bags of middle grade flour for shipment from Winnipeg to China. This firm has now disposed of 110,000 bags, an enormous quantity.

Some idea of the size of these large sales can be gathered from the fact that they represent a total weight of about 3,000 tons. Space for these shipments has been booked on the Pacific liners leaving Vancouver from now up to the middle of June.

The Ogilvie Co. report further requests received by cable for flour for shipment during the entire summer. It would seem as though they would have no difficulty in disposing of all their middle grade flour ground at their Winipeg and Fort William mills for some time to come.

Manitoba and Its Subsidy.

Manitoba, with a population nearly as great as both the Provinces of Saskatchewan and Alberta, received last year (1906) as subsidy from the Dominion $615,222.26, while for the same purposes the two new Provinces were each paid $1,030,375. The statement below shows how unfavorable is the result to Manitoba:

	Manitoba	Alberta	Saskatchewan
In support of Gov.	50,000	50,000	50,000
Subsidy	286,275	200,000	200,000
Interest on capital account	178,947	405,375	405,375
In lien of lands	100,000	375,000	375,000
Total	615,222	1,030,375	1,030,375

or a difference in favor of both Alberta and Saskatchewan, and against Manitoba, of $415,153.

Take the item paid to each of the new provinces with respect to compensation in lieu of lands, and compare it with what Manitoba receives. Manitoba gets $100,000, and only that amount annually, forever; Saskatchewan and Alberta, it is provided, are to be each paid annually, until the population reaches 400,000, the sum of $375,000 and thereafter on an increasing scale as the population multiplies, up to the extent of $1,125,000 annually.

The effect of this arrangement is that at the present time each of the new provinces is given $275,000 more than Manitoba, with provision for increase as the population grows. When their population is 750,000, they will receive for public lands, annually, $1,025,000 more than Manitoba. As Manitoba is the parent prairie Province of the west and has stood the vicissitudes and hardships and pioneering for many years, it is no wonder that the people dislike such treatment, in the matter of subsidy.

More Railway Contracts.

Contracts were awarded last week for 457 miles of the Transcontinental Railway between Moncton and a spot 800 miles west of the river Abitibi. Three of the contracts covering 245 miles, went to the Grand Trunk Pacific Company. Messrs. Davis, of Ottawa, will construct 150 miles, and Lyons and White, of Ottawa, will build 62 miles. The cost of the construction of these 457 miles will be $13,000,000. This means that the work will amount to a little less than $30,000 a mile.

There are now under construction on the government portion of the Transcontinental, 395 miles, which added to the 457 miles awarded last Monday (25th Feb.), makes 852. This is nearly half of the line between Moncton and Winnipeg.

Northern Trust Company.

The Northern Trust Company has completed its second year. The amount of subscribed capital is $1,500,000, and upon this calls of twenty per cent. have been paid, amounting to $300,000 and in addition to this $246,584.13 has been paid in advance. The balance at the credit of profit and loss account at the end of two years is $15,022.

Already the investments amount to over a million dollars, and the demand for money is still very great. Mr. R. T. Riley, the managing director, is at present on his way to the Mediterranean for a holiday and for recuperation after his long sickness. He expects to be away for about two months, and it is not likely that the annual meeting will be held until his return.

Great West Loan.

The fourth annual meeting of the Great West Permanent Loan and Savings Company brought forth some important facts relative to its growth. In the year 1905 the amount transferred to the reserve fund was $41,488.95, while in 1906 it was $55,260.48. In December, 1906, the reserve fund totalled $155,941, as against $100,680 in 1905. The assets now reach the total of $916,187, showing an increase of $390,401 over the previous year, while the subscribed capital has increased to the extent of half a million dollars, and now amounts to $1,750,000.

A BLACK FRIDAY.

The Week Ends Up With N.Y. Stocks at Their Lowest.

Yesterday on the New York Exchange looked at the close like another Black Friday. Liquidation was very severe in the last hour and more stocks were thrown overboard. The transactions on the day were nearly two million shares. C.P.R. did not show the resiliency it displayed early in the week and closed at 171¾. Such a good seven per center as U.S. Steel preferred sold under par. Great Northern fell to 152¼. Union Pacific which was ex-dividend, joined in the tobogganing. Pennsylvania closed at 123⅜ and Reading on enormous transactions at 120¼. There were 317,000 shares of Steel Common dealt in, and the closing price was 38.

The liquidation has been so extreme that some men who have been bears for some time like Mr. T. A. McIntyre, announce their confidence in the long side. One may rest assured that the declines can't continue for many more months as they have done since January 2nd 1907. The severe decline was too late to reflect greatly on the Canadian markets.

TO INVESTORS

The money stringency which has prevailed for the past few months has resulted in a very substantial reduction in the prices of Bonds, so that high-class Debenture Investments now yield a higher interest return than has been the case for many years.

Considering that Municipal Debentures afford practically the safest investment obtainable, investors can hardly afford to miss the opportunity which present prices offer.

Quotations and detailed information will be gladly furnished.

WOOD, GUNDY & CO.
TORONTO

JAFFRAY —AND— CASSELS

Members Toronto Stock Exchange
11 Toronto St.
Toronto.

W. G. Jaffray.
D. S. Cassels.

Weekly Market Letter issued and reports on investments furnished.
Correspondence invited.

F. B. McCURDY & CO.

DEALERS IN

Stocks, Bonds and Debentures

Special attention given to the investment of monies in sound Canadian Securities.

CORRESPONDENCE INVITED.

4 Hospital St., MONTREAL
83 Hollis St. HALIFAX, N.S.

Cable Address: "McCurdy."

MEMBERS MONTREAL STOCK EXCHANGE

INVESTORS PROTECTIVE ASSOCIATION, LIMITED

INVESTMENT BROKERS

717 McINTYRE BUILDING, WINNIPEG

Telegraphic Address; "MINTRIAL" WPG.

Codes; A. B. C. 5th Ed., Clough's, Western Union.

New York Stock Exchange.

Range of Prices for Week Ending March 8th.

—	Closing Mar. 1	Open.	High.	Low.	Last.
Amalg. Copper Co.	110⅝	110¼	110¼	102¾	102⅝
Am. Car & Foundry	44¼	43⅛	43⅛	39¼	39¾
Am. Locomotive Co.	72¼	72	75¼	68	69
Am. Smelt. & Ref.	139⅜	139	139	131	131¼
Am. Sugar Ref. Co.	131⅜	130⅜	130⅜	125¼	125½
Am. Tobacco Co., pf.	95½	96	96	94¼	94½
Am. Woolen Co.	32½	32	32	28	28
Anaconda Cop. Min.	294¼	293½	73⅛	65¾	66¼
At., Top. & S.F.	102¼	101⅛	102	90⅛	91½
Atlantic Coast Line	116¼	116	116	110	111
Baltimore & Ohio	109⅜	109½	109½	104⅜	104½
Brook. Rapid Transit	70¼	70	70	55	58
Canadian Pacific	182⅜	181½	181½	171¾	171¾
Chesapeake & Ohio	50⅜	50	50	42	43
Chi.. Great Western	15⅜	15¼	15¼	13¼	13¼
Chi., Mil. & St. Paul	146	145¼	145⅜	139¾	140¾
C., C., C. & St. Louis	87	87	159¼	151	154
Chi. & Northwestern	160½	159⅞	83	79	80½
Colorado Fuel & Iron	44¼	44	44¼	38¼	38½
Colorado & Southern	34	33	33½	30	30⅛
Consolidated Gas	138	136	136	126	126
Delaware & Hudson	204¼	204	203	193	193
Den. & Rio Grande	37¼	36½	36½	30	32
Dul., S.S. & At.	15¼	15¼	17	15¼	15¼
Erie	33⅞	33⅝	33⅜	29	29⅛
Erie, 2d pf.	58	58	58	49½	50¼
General Electric	157¼	157	157½	151	151
Great Northern, pf.	162¾	160	161	149	152¼
Illinois Central	155	156	155	147	147
Interb.-Metropolitan	33¼	32¼	32⅝	25¼	26
Internat. Paper Co.	16¼	16	16	15¼	15⅛
Louisville & Nash.	128¾	128	128¼	118	119¼
Mackay Companies	72¼	72⅝	72⅜	70	70⅜
Mackay Companies, pf.	69¼	69¾	69¾	67¼	68⅛
Mexican Central, pf.	23⅜	23	23	20⅝	20⅜
Minn. & St. Louis	55	55½	55½	55	55
M., St. P. & S.S.M.	119	118¾	118¾	111	113
M., St. P. & S.S.M., pf.	146	146	140⅜	135	137
Mo., Kan. & Texas	43¾	43¼	43¼	40	40
Missouri Pacific	79¾	79¾	79¾	71	72
New York Central	125⅜	125	125	118¼	118¾
N.Y., Ont. & Western	43¼	43¼	43¼	39¼	40
Norfolk & Western	84¾	84¾	84¾	79¾	79½
Northern Pacific	145⅜	145¼	145¾	134¼	138
Pennsylvania R.R.	129	128⅜	128¾	123¾	123½
People's Gas, Chi.	93¼	93¼	93½	90	90¾
Pullman Company	169½	168	168	163	164
Railway Steel Spring	52	51½	53	48⅞	49⅛
Reading	115¼	115	124⅜	113⅜	120¼
Rep. Iron & Steel	32⅞	33⅛	33½	25	26½
Rock Island Co.	24½	24¼	24⅜	21⅜	21¾
Rock Island, pf.	56	55	55	50	51¼
St. Louis Southwestern	22¼	23	23	21½	22
Sloss-Shef. Steel & Iron	67½	66½	66½	56	58¼
Southern Pacific	91⅜	90⅜	91¼	82¾	84
South. Railway	25½	25⅜	25½	20½	21¾
Texas & Pacific	33¼	33	33	30	30
Union Pacific	171⅜	170½	171	156⅜	156¼
U.S. Rubber	49¼	49½	50	46	47¼
U.S. Steel	44⅝	44¼	44¼	38	38
U.S. Steel, pf.	103¾	103⅞	103⅞	99⅝	99⅜
Wabash	14⅜	15	15	13¾	14¼
Western Union Tel.	81	81	81	79½	80¼
Wisconsin Central, pf.	46	46	44	40½	....

Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.		From date mentioned to the last week for which earnings have been reported. Date.	1907.	1906.	Changes.	
Canadian Northern	Feb. 28	102,200 00	89,300 00	plus	12,900 00	July 1	4,600,700 00	3,354,500 00	plus	1,246,200 00
Canadian Pacific	Feb. 28	1,207,000 00	1,135,000 00	plus	72,000 00	July 1	45,459,000 00	39,618,000 00	plus	5,841,000 00
Duluth, S.S. & Atlantic	Feb. 21	56,869 00	57,115 00	minus	246 00	July 1	2,069,579 00	1,959,568 00	plus	110,011 00
Duluth, S.S., & Atlantic	Feb. 28	65,209 00	66,922 00	minus	1,713 00	July 1	2,234,788 00	2,026,490 00	plus	108,298 00
Grand Trunk System	Feb. 28	739,228 00	723,974 00	plus	15,254 00	July 1	28,631,841 00	26,248,318 00	plus	2,383,523 00
Minn., St. P. & S.S.M. (Soo)	Feb. 28	196,760 83	202,868 90	minus	6,108 07	July 1	8,134,428 07	7,732,660 71	plus	401,767 36
Detroit United	Feb. 21	99,859 00	91,126 00	plus	8,733 00	Jan. 1	756,781 00	681,259 00	plus	75,522 00
Detroit United	Feb. 28	....	....	....	....	....	....	....	....	....
Halifax Electric Tram	Feb. 28	2,696 19	2,443 40	plus	252 79	Jan. 1	23,299 84	21,965 90	plus	1,333 94
Montreal Street Railway	Feb. 28	58,912 88	53,383 71	plus	5,529 17	Oct. 1	504,130 20	447,370 78	plus	56,759 42
Toledo Railways	Feb. 28	26,392 78	23,807 66	plus	2,585 12	Jan. 1	106,487 90	95,760 81	plus	10,726 09
Toronto Railway Co.	Feb. 28	59,217 25	53,408 86	plus	5,808 39	....	....	....	....	....
Toronto Railway Co.	Feb. 1-28	233,860 52	210,531 55	plus	23,328 97	Jan. 1	488,673 04	446,660 58	plus	42,012 46
Twin City	Feb. 21	105,276 00	94,543 00	plus	10,733 00	Jan. 1	763,194 00	685,376 00	plus	77,818 00

Railway Net Earnings

—	JANUARY 1907	1906	Changes		Seven Months from July 1. 1907	1906	Changes	
Duluth, South Shore and Atlantic.								
Gross	234,099 47	224,126 78	plus	9,972 69	1,930,622 86	1,817,373 01	plus	113,249 85
Op. Expenses	187,480 12	157,942 87	plus	29,537 25	1,309,400 03	1,177,920 22	plus	131,479 81
Net	46,619 35	66,183 91	minus	19,564 56	621,222 83	639,452 79	minus	18,229 96
Surplus	....	....	....	....	....	....	....	....
Deficit	38,805 71	42,966 62	minus	4,160 91	30,227 70	35,024 67	minus	4,796 97
Twin City R. T. Co.								
Gross	456,837 00	407,865 00	plus	48,972 00				
Expenses	243,097 00	205,519 00	plus	37,578 00				
Net	213,740 00	202,346 00	plus	11,394 00				
Expenses and Taxes	115,258 00	109,708 00	plus	5,550 00				
Surplus	98,482 00	92,638 00	plus	2,844 00				
Minn. St. P. & S. S. M.								
Gross	706,290 06	860,705 40	minus	154,415 34	7,506,826 71	6,993,373 19	plus	513,453 52
Oper. Expense	568,114 18	460,287 83	plus	107,827 05	3,993,748 40	3,141,206 58	plus	852,541 82
Net	138,175 88	400,417 57	minus	262,242 39	3,513,078 31	3,852,166 61	minus	339,088 30

WINNIPEG BONDS

ANOTHER PROOF OF BRITISH CONFIDENCE IN CANADA.

A Remarkable Price for Its Bonds—Coates, Son & Co. Pay Over 97—The City's Financial Position—New Issues Coming on.

Canadian Government issues are the only British or Colonial Government stocks that have not receded, but have actually scored an advance in the past three years. Canadian Pacific Railway by its recent sale of four per cent. preference stock at higher than par accomplished cheaper financing than any railroad in the U.S. for the past twelve months. Now comes the announcement that Winnipeg has sold its issue of bonds for 1905 expenditures, held over from last spring, amounting to $1,594,506 6 per cent. debentures at £97 5s. 6d. for each £100, or the equivalent of 97.28. This is the highest figure paid for municipal bonds in America for some time. The purchasers were Messrs. Coates, Son & Co., through their Canadian agents, Messrs. Hanson & Ferguson, of Montreal. In addition the purchasers will pay accrued interest to date of delivery subject to bonds being issued in sterling denominations with delivery in London. As the greater portion of the loan on the expenditures provided for by these bonds is in Great Britain, this arrangement does not necessarily mean increased expense added to the two instances already quoted. The sale of the bonds at this figure is a very striking proof of the confidence of Old Country bankers in Canada and it is a further indication of improvement in the bond market in Great Britain. It is all the more interesting because Winnipeg has not yet financed its 1906 expenditures and for these outlays and expenditures during the current year there will be coming on the market further issues approximating two and a half million dollars.

The city could have sold these bonds in April last for 97.31, a price slightly better than the present one, but thinking that the market would improve the civic authorities did not accept. Since that time it has been paying sometimes six per cent. for money with commissions on each renewal and this fact suggests that civic corporations would do better if in need of funds to accept the market rather than indulge in the more expensive financing which short term loans necessarily entail.

Doubtless the English bankers who have taken the bonds have requested some expression of intention in regard to the public utility responsibilities which Wininpeg has undertaken. Two by-laws have been passed, one authorizing an expenditure of $600,00 for a gas plant, the other $3,250,000 for a power plant. These are undertakings which entail too much liability on a city with such rapidly expanding needs as the capital of the Northwest.

A glance at the city's financial position is interesting, the date being as of January 9th, 1907, and the figures including this present issue of bonds then unsold:

Debentures Outstanding.

		Sinking fund approximate
1. General	$3,792,527	$315,000
2. Property owners share of local improvements ..	4,002,907	900,000
3. Water works ..	1,904,090	85,000
Total	$9,699,524	$1,300,000

Ratable Assessment.

Assessment roll, 1906	$80,511,725
Less exempt from taxation.	15,128,030
	$65,383,695

Population assessors' enumeration, 1906, 101,057.

The deductions from the gross debt are debentures issued for revenue producing purposes; debentures issued for for local improvements; secured by property owners and sinking funds except those for local improvements. These work out as follows:

Gross debt		$9,699,525
Deduct		
Water works ..	$1,904,090	
Share local improvements	4,002,908	
sinking funds other than locals	400,000	$6,306,988
Net debt		$3,392,527

Tax rate for 1906 17.9 mills.

Assessment per capita	$796 00
Net debt per capita	33 56
Net debt to assessment	4 21

In Toronto the assessment per head is 25 per cent. lower, but the net debt is over $8 higher per capita.

The Canadian Bank of Commerce, which has had the city's account, has tided the city over the interim. The overdraft assumed such proportions, however, that the bank felt the city should either distribute the overdraft or make arrangements. Sensational reports were sent out about Winnipeg's financial situation and the high rate of interest they were paying. As a matter of fact the city was getting the money as cheaply as it could be secured and the rate for the present 90 day period expiring May 1st, has not yet been determined as the transaction is not covered till that date and the rate of exchange finally adjusted. For the previous three months the rate paid was a decimal over seven per cent. The loan was too large a sum for any one institution to carry in its entirety and recourse was had to an Old Country bank to lighten the burden, and the money was obtained on as reasonable a basis as any ninety day loan could have been secured. It is expected that the rate on the current three months will be appreciably less. There has been much misunderstanding over this situation in Winnipeg and with money as scarce as it has been in Canada, no other bank was willing to come forward, having ample uses for available funds in regular business.

ELECTRICAL DEVELOPMENT

THE FINANCIAL POSITION OF THE COMPANY.

After Its First Month of Operation—All Difficulties Overcome—Tried by Tests of Tempests—Success of the Operations—The Story of Past and Future Told by the President and Managing Director.

The Electrical Development Company has passed its initial stage with success and is now a revenue producing concern with excellent prospects for the future. The engineering difficulties have been successfully overcome; the turbines and generators—the largest in the world—have been started and the president, Sir Henry Pellatt, assures the shareholders that they are running in perfect condition to the delight of their designers.

While the company began to earn money during the last week in November the construction is not yet completed and the amount received from the sale of power up to Dec. 31st, was too small to warrant a statement of profit and loss. The works of the company underwent a severe test during the past winter. The waters of the Niagara River during a hurricane rose to the highest mark almost on record with no resultant damage to wheel pits or generating plant. The transmission lines remained intact through all the tempests so that there the company can look forward to a security of operation under the most adverse weather follows:

ASSETS.

Investment account, expenditures on plant, cofferdam, wheelpit, tail race tunnel, headworks, electrical apparatus, power house, turbines, etc.			$11,341,048 15
Real estate for manufacturing town site at Chippewa		$ 47,118 00	
Rights of way and cost of construction of transmission line between Niagara Falls and Toronto		2,511,850 55	
Securities— Bonds and stock of the Niagara Falls Gas Q Electric Co., Albian Power Co., Electrical Transmision Co., and the Clifton Hotel Co.		353,267 37	2,912,235 92
Current assets— Cash in bank and office		34,258 14	
Accounts receivable		64,584 86	98,843 00
Total assets			$14,352,127 07

LIABILITIES.

Capital stock			$ 6,000,000 00
First mortgage 30-year gold bonds, authorized	$10,000,000 00		
Less treasury bonds	2,000,000 00		
Underwritten	8,000,000 00		
Underwritten and not yet issued	335,000 00		
Outstanding bonds			7,665,000 00
Hypothecated bonds (Can. Bank of		335,000 00	257,060 86
Commerce)			425,000 00
Bills and accounts payable			5,066 21
Sale of power			
Total liababilities			$14,352,127 07

Certified correct.

W. S. ANDREWS.
Auditor.

In his address to the shareholders at the annual meeting last week, Sir Henry Pellatt said in part:

"The transmission line has been tested over its full length of 84 miles, and is carrying power without one single interruption. Two things control the quantities of power which can be used in Toronto:—(1) The regulation of it at the works at Niagara; and (2) the capacity to receive and distribute it in Toronto by the consuming companies. At Niagara, in order to deliver 24-hour continuous power, there must be two completed units, and as the second unit was not finished until December, it was not until the 14th January that 24-hour power could be delivered from Niagara.

"The consuming companies at Toronto, in order to take this power continuously, have to change over from the old systems to the new. Their object is to shut down their steam plants altogether, holding them as reserves, and to make their electrcial switching connections, so as to take all their power from the terminal station of the company on the Davenport Road, at the city limits.

"The testing and adjusting of the electrical apparatus, the switching, wiring, etc.—all are attended with difficulty and delays necessarily incidental to such an extensive substitution of the source of power. Yet, since the 14th January, I am glad to be able to announce that the companies, between them, are taking over 10,000 horse-power, and I am assure you that each company, according to its capabilities, will continue inerasing its load until the steam plants are entirely shut down.

"At the last annual meeting I promised the shareholders that there would be a statement of earnings this year; we are now in receipt of earnings—large earnings, too—and next year I believe that I shall be able to say to you that the whole of the fixed charges are more than paid out of earnings. How much more than this we can do depends, of course, upon the market that we can develop.

"The proceedings of the Hydro-Electric Commission have caused delay in the development and prosecution of the plans of this company for the distribution of power—no municipalities or private consumers could be canvassed because of the promises which had been made to them; the public expected that the Government was about to deliver power at very low rates, and this naturally caused a feeling of unrest and uncertainty among financial men, and among those more immediately interested, like the shareholders of this company and similar companies, and prevented that buoyancy in the securities of this company which otherwise most certainly would have resulted from the successful completion of this great undertaking, and the first delivery of power from Niagara over the long distance transmission line. Signs are not wanting that this matter of Government development is now better understood by the people, and, on the other hand, I am confident that the present Government is now fully alive to the situation, and will not permit anything to be done which would have the effect of taking away from or diminishing those legitimate profits which the nature of this enterprise ought to command.

"It is disapointing to me that I am unable at this meeting to give to you a statement of earnings for the coming year with any greater particularity than has been done in my opening remarks. For all that, I have shown enough to enable us to look forward for the future with faith and confidence; the power plant seems to be free from all defects; the solidity and superior excellence of all its parts compel admiration, and are a guarantee of the uninterrupted and continuous generation and transmission of its enormous capacity of electrical power—125,000 horse-power — which proves the fundamental soundness of the undertaking, while the inexhaustible markets for power now everywhere developing establishes without a doubt its ultimate commercial success and prosperity."

Mr. Frederic Nicholls, the vice-president and managing director, after describing vividly the success of the first tests in transmitting power and the stilling of anxiety in regard to operation, says:—

"It is true that delays in construction have been experienced, but we were dealing with the unknown. Where we unwatered twelve acres of the Niagara River to construct our headworks we expected a maximum depth of twelve feet of water to control, but found, after the cofferdam had been constructed far enough into the Cascade Rapids to ascertain the real situation, that we were confronted with a depth of twenty-six feet. In spite of this and other drawbacks, and the fact that our original plans to develop 100,000 horse-power were changed to develop 125,000 horse-power, we have the satisfaction of knowing that the delay was much less than was expected at an earlier stage of progress. Every detail of the work has been admirably constructed, and, notwithstanding the newness and originality of the plant and machinery, not a single hitch of any kind has since occurred.

"So much for the past. At the present, as our president has informed you, we have ben delivering 24-hour power since the 14th of January last, and until latterly have been supplying our two largest customers with an aggregate of about 10,000 horse-power, and it is particularly gratifying for me to be able to announce to you that, on this very day on which our annual meeting is being held, the Toronto Railway Co. are increasing their demand on us for power, and are shutting down permanently their entire steam plant, which will not again be used except in case of emergencies. The Toronto Electric Light Co. will this week increase their consumption by an additional 2,000 horse-power, and will, also, arrange to shut down their steam plant as soon as all their special machinery for receiving Niagara power has been installed. The growth of the business of the Toronto Railway Co. has been phenomenal in the past, as has, also, been that of the Toronto Electric Light Co., and we may not unreasonably expect a material increase from year to year over their present requirements. Ten years since, the total income of the Toronto Railway Co. was only $997,273, while this year it is $3,110,000, or an increase of over 300 per cent. Ten years ago the income of the Toronto Electric Light Co. was $265,897, and for last year $899,578, or an increase of nearly 350 per cent. In view of the above, it may be fair to assume that, owing to the resultant advantages of Niagara power, this percentage of growth will not materially diminish, and that our output to these customers will increase in a corresponding ratio.

"As to the future, I can only say that it is full of promise. In addition to the complete requirements of the two large companies I have just referred too, we expect, before the end of the current year, to be supplying electric power for at least certain sections of

(Continued on page 8.)

SOCIALISM'S COURTMARTIAL

MANY APPARENT SUCCESSES THAT INVOLVE LOSSES.

London's Righteous Indignation—The Experience of Eighteen Years—The Gas Failure in Leeds—Liverpool Tramway Hollowness—Huddersfield's Profits Unreal—Bath Gives Up Its Electric Plant.

Municipal ownership has been tried and found wanting not merely in London but in practically every city in Great Britain with the possible exception of Glasgow. The crushing defeat of the Socialists in the London County Council elections last Saturday is only the beginning of similar expressions of public opinion throughout the British isles. It is easy to give a list of English cities where municipal operation is in effect and in some cases it is apparently successful, but a closer analysis will show where even in the most favorable cases there is some defect in the financial statements.

Thus the Leeds Gas Plant with net profits of $80,600 per annum is cited as a success; but the net gas debt per head after making the necessary deduction for sinking fund had increased from $12.41 in 1891 to $15.65 in 1905 irrespective of an added debt of over $10 per capita for a new electric lighting plant.

Huddersfield exhibits a "'surplus on tramways'' of $57,550, but it has recently been stated that they are now wearing out the third set of tramway rails while the period for which the cost of the first rails was borrowed has many years to run.

In Liverpool $240,000 was turned into the city's treasury at the end of 1904. Compare this with Toronto, which in the same year received in actual cash over $256,000 and exclusive of pavement charges and in 1906 $362,000 or $1.44 per capita and if pavement charges which are not included in the Liverpool statement are added, $429,919. This is exclusive of the taxes which are a considerable sum. Even in Brooklyn, where the population is much the same as in Liverpool the B.R.T. paid into the city treasury in direct and indirect taxes about 1.20 per capita.

In London the system was not suffering from lack of the time test. It has been in vogue in various phases for nearly eighteen years and each year has seen the abuses grow from bad to worst. Municipal ownership in its most advanced form has had its courtmartial.

Socialism suffered a decisive and overwhelming defeat at the hands of the electors on Saturday. The result of the County Council election is the choice of 79 Reformers, 36 Progressives and three Laborites. The last Council consisted of 83 Progressives, 34 Moderates (now called Reformers), and one independent.

The old Council's record of extravagance, waste, mismanagement, deception by false accounts and general incompetence was, perhaps, the worst ever made by the public body whose members were not accused of personal dishonesty and corruption. Englishmen, however, are the most patient people on earth in their treatment of public officials and their willingness to give any policy entered upon a full and fair trial. Municipal ownership, or, in other words, Socialism, has had such a trial in London and it has utterly failed. That and nothing else is the meaning of London's verdict.

The figures of the popular vote make the decision even more emphatic. The general proportion is more than two to one against municipal ownership. There was an enormous vote cast, but, despite this, the total Progressive vote shows a substantial reduction from three years ago, when only 45 per cent. of the enrolled voters went to the polls.

The Progressive defeat extended even to Labor constituencies. Woolwich, for instance, where there is a large majority of the working class, turned out the Progressive representatives and elected Reformers. Woolwich is a district where the taxpayers have been outrageously mulcted by electric and other municipal enterprises.

Last week's record of the failures in municipal ownership include an important case in Bath. The city authorities there voted by 42 to 2 to sell the municipal electric plant, which has been a failure, to a private syndicate. The transaction means the immediate reduction of the local rate of taxation.

The auditor of the Local Government Board, after an examination of the Woolwich accounts, reports an even worse state of affairs than was previously reported in these despatches. The cost of street lighting has been more than twice what it should have been, and the losses on the electrical enterprise much heavier than was anticipated.

Lord Avebury issued another brochure on municipal ownership this week in which he again condemns the whole principle as false democracy and bad policy. His conclusions are:—"Monopolies are bad, but especially municipal monopolies, because they are the most difficult either to regulate, control or abolish. I doubt whether the paper profit which municipalities claim to have made is any real existence. Municipal trading must incerase our rates more and more, while at the same time it raises the prices of necessaries, so that it cuts down incomes with one hand and with the other makes life more expensive."

U. S. CURRENCY REFORM

THE ALDRICH BILL AT LAST BECOMES LAW.

The Stock Market Responds With a Decline—The Principal Features of the Act—Customs Receipts May Be Deposited in National Banks—Increase in Number of Small Bills—Some Relief for the Troubles of the U.S. System.

The Aldrich currency bill in the United States has been heralded for several years as an ameliorating panacea for the pains and aches of the U.S. Monetary System. Last year its prospect of being passed was regarded as a great stock market factor. This year in the general low-spiritedness the bill was welcomed and prophecies were made that its actual passage should advance the market prices of stocks. The bill passed both houses in Washington last week and the only response in the market was a very spectacular decline, thus proving once more that in a bad stock market good news goes for naught.

The new law is a step in the direction of an improved currency system and will increase the number of small bills but will most of all put an end to the embargo that has existed on the funds received by the Government. Under existing laws these are immediately converted into the treasury and cannot be distributed in any other way than by appropriations by Congress. Under the new law the secretary of the treasury will have authority to deposit custom receipts in the national banks in precisely the same way in which internal revenue receipts are now deposited, and, moreover, he is given specific authority to accept against deposits of public money securities other than Government bonds.

Apparently it will remain in the discretion of the secretary of the treasury to keep the funds in the treasury or to lodge them in the national banks. It is assumed, however, that in the face of the express authorization granted by Congress no secretary of the treasury would feel justified in withholding funds for which there was urgent banking need. Secretary Shaw, whose term as secretary, expired this week, went far in the direction in which the Congress itself has now gone in the matter of handling public funds. He construed the law by permitting the acceptance of bonds other than Government bonds as security for public deposits, and Congress now enacts a law giving specific authority to have such deposits secured by Government bonds or otherwise.

How important is the provision regarding custom receipts is apparent from the fact that these receipts during the last fiscal year amounted to over $300,000,000. This in round numbers is $6,000,000 a week, and under existing practice this money passes immediately into the treasury. Under the new law this money, or so much of it as the secretary may decide, can be deposited in the banks. Thus the collection of the Government's revenue need never be made the cause of money market stringency. New York is greatly interested in this change in the law, for it is here that the Government collects most of its custom receipts. But favoritism to any special locality is provided against in the present law by the provision that so far as may be the secretary shall distribute the deposits of public money equitably among the different States and sections of the country. This, however, in a general way, has been the custom in the past. It was in pursuance of such a policy that secretary Shaw in distributing deposits scattered them over the country instead of confining them to a few large cities.

The clause of the new law raising the the limit of retirement of National Bank circulation in any one month from $3,000,000 to 9,000,000 will serve to give a little greater elasticity to the currency providing as it does for the reduction of gold certificates from $20 to $10; replacing United States notes denominations greater than $5 with notes of denominations of $1, $2 and $5.

In an analysis of the Aldrich bill prepared by the New York banking house of Fisk & Robinson that firm comments as follows on these changes in the denomination of bills:

"The $338,000,000 United States notes now of a denomination of $10 or over will become largely of the denomination of or less than $5; that is, merely subsidiary currency supplementing the present silver certificates. The vacuum thus produced in denominations above $5 will be filled by gold certificates and National bank notes. Of these denominations there are outstanding $652,600,000 gold certificates and $494,200,000 bank notes.

"In so far as additions to bank notes, now approximately $600,000,000 shall fill in this vacuum, an expansion of the amount of bank notes is possible, ranging eventually from probably 20 per cent. to possibly 40 per cent. increase. An increase in bank notes naturally suggests a larger demand for Government bonds as security therefor. At the same time the possible speedy retirement, through the operation of the $9,000,000 per month clause, will doubtless produce from time to time a greater supply of Government bonds."

Mr. E. S. Clouston, general manager of the Bank of Montreal, is expected to return from abroad early in April.

Southern Pacific shows most remarkable increases in gross and net earnings just at a time when the market price of the stock show large decreases

THE GREAT COMPANY

NO ONE CAN DETERMINE THE VALUE OF THE SHARES.

Are They Worth £125 or £400—Lord Strathcona's Attitude—The Grand Old Governor Optimistic—The Town Lots and Sites—The Margin of Prospect—Canada Company and Canada Northwest Land Are Incidental Criteria.

No one can determine the value of Hudson's Bay shares. He cannot even approximate them. The man who should know most about them is Lord Strathcona, who has been with the company in every capacity since boyhood. The grand old Governor has evidently increased his opinion of the values with the rise in the market price of the shares and the development of the company's prospects.

In 1905 at the General Court he expressed the belief that the shares were selling at a pretty high figure—they were then around 70, but he intimated he would never sell a share. In 1906, when they were farther advanced to 85, he spoke of them as being a heritage for one's children and grand children, and reading between the lines of his address one could not but infer his great confidence in their prospective value.

The shares are now selling at about £118 per £10 share, having witnessed in the last six months of 1906 a rise from £80 to £130. There are some conservatives who say that the shares are now selling for more than they are worth. There are others who claim that their value is nearer £400 per than £100. The wide difference of estimate lies in the value of the town lots, present and prospective. In the last chapter the farm lands left for sale including unsurveyed territory, were determined at 4,952,217 acres, the amount owing in respect of unsold lands was $4,536,450. We believe that an average of $10 per acre for the unsold farm lands provides for all depreciation and worthless land. The company is proceeding most conservatively in its sales and in time much of its farm land will be worth $20 an acre. The farm lands, therefore, show a value of £100 per share. When the figures arrive at this height the trading and fur business can be almost dismissed except for its income producing power ensuring a tolerably certain return of dividends on a small basis compared to the present market price, but a fair return on the par value. Last year the profit from the furs and shops was a little over £190,000, the record in the company's history. This business has been capitalized on different standards but at the best it cannot be placed at more than £4,000,000 which would be £40 per share.

The town lot question is the parting of the ways. In 1872 the company had 144 posts and surrounding them some 60,000 acres of lands exclusive of the farm lands. In the larger centres these lots have been sold, leaving a smaller area each year until now the amount of land is what may be termed towns and villages exclusive of the outlying posts is estimated around 15,000 acres. Some of this land has been valued in certain towns as high as £4,000 an acre. This valuation reduced to foot frontage on the company's ground in Winnipeg is not out of the way. The same may be said of Edmonton, of Portage la Prairie, of Fort William. On the Mackenzie River, at Fort Simpson, on the Hudson Bay and in Labrador the company has holdings small in quantity but liable in the future to become extremely valuable. These numerous posts alone offer a great prospect.

In addition to these are sections which may be the sites in the future of thriving villages, towns and cities. Of such no definite computation can be made. The Canada Company which paid back £24 on its £25 share and lived to see the £1 remainder increase in price to over £100 and go back to £35 is no criterion excepting as showing the great range of possibility.

Canada Northwest Land, whose shares were quoted at 6 a few years ago and are now 500, has not the same margin of prospect.

The matter may be summed up in the two following estimates:

Conservative.

Farm lands, including unpaid instals.	£10,000,000
Furs and shops	1,500,000
Town lots	1,000,000
	£12,500,000

£125 a share.

Prospective.

Farm lands	£15,000,000
Furs and shops	4,000,000
Town sites	15,000,000
Instalments due on lands sold	1,000,000
	£35,000,000

£350 per share.

Cobalt Central has apparently a good shipper in Big Pete, but it is well to await definite returns from the smelter. There is a good deal of booming in New York going on in this stock and some people have still, evidently, a large quantity of shares for sale.

The Cobalt Mutual Mines Company is one of which we do not hear a great deal in Canada, and the promoters advertise that they have a large number of beautiful stick pins of Cobalt silver which they will send free to all those who will state their occupation and write on their business stationery if possible. This is a variation of the usual promise of an immediate advance in price or a guaranteed dividend.

THE
ROYAL BANK
OF CANADA

INCORPORATED 1869

Capital paid up - - $3,800,000
Reserve Fund - - $4,300,000
Total Assets - - - $43,000,000

HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager

Seventy-five Branches in Canada
Eight Agencies in Cuba
St. John's, Newfoundland
New York City

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS
SAVINGS DEPARTMENTS AT ALL BRANCHES
CORRESPONDENCE SOLICITED

ÆMILIUS JARVIS C. E. A. GOLDMAN
ÆMILIUS JARVIS & CO.
Members of Toronto Stock Exchange
BONDS AND DEBENTURES
McKINNON BLDG. TORONTO

CROWN BANK OF CANADA
HEAD OFFICE . . . . . TORONTO
AUTHORIZED CAPITAL . . . $2,000,000
Edward Gurney, President
G. de C. O'Grady, General Manager

The Second Annual Report (1906), is now ready for distribution, and may be had on application to the management of the bank branches at 34 King St. W., Agnes St. and 472 Spadina Ave., Toronto. Other branches at the towns of Aylmer, P.Q., and throughout Ontario at —Bath, Bracebridge, Brockville, Burford, Comber, Enterprise, Hintonburg, Inglewood, Kingston, Mal o rytown, Napanee, Odessa, Ottawa, Port Dover, Scotland, Seeley's Bay, Woodbridge and Woodstock.

Nova Scotia Steel & Coal Firsts
Due 1929. Price on application.
Royal Securities Corporation, Limited
179 St. James Street, MONTREAL A. J. NESBITT, Manager

Hutchinson, Lloyd & Company
Investment Agents
ROOM 24, OTTAWA BANK BUILDING,
MONTREAL

Bank Notes

The Westminster Avenue branch of the Bank of Montreal in Vancouver will be opened on March 15th in charge of Mr. Alex. Buchanan, of the Vancouver office, as sub-agent.

The Bank of Commerce's architects are reparing plans for a handsome new building in Brantford to be situated on the corner of Market and Dalhousie Sts. The Standard Bank is also proposing to erect a new building.

The Eastern Townships Bank will erect a ten-storey building at the corner of St. James St. and Victoria Square, Montreal. The plans produced by the architects promise a very handsome structure which enjoys a splendid situation on Victoria Square.

The Bank of Nova Scotia will erect a handsome four-storey stone building on the south-west corner of Portage Avenue and Garry St., in Winnipeg.

Mr. Frank Craig, paying teller at the Toronto office of the Imperial Bank for a number of years has been appointed assistant inspector of the Sterling Bank.

Mr. E. R. Vankoughnet has been appointed manager of the North Battleford branch of the Imperial Bank. He was formerly accountant at Golden, B.C.

Mr. A. R. Martin, late accountant of the Imperial Bank at London has been attached to the Toronto office.

Mr, Stuart Saunders, accountant at the St. Catharines branch of the Imperial has been appointed assistant accountant at the Montreal branch. Mr. G. F. Moss, who occupied that position, has been promoted as accountant of the Ottawa branch.

Mr. Victor Heron, of the Bank of Commerce has been transferred to the Ottawa branch as accountant from the Yonge and Queen branch, Toronto.

The Sterling Bank will open a branch in Montreal in the Standard Building in St. James St. about May 1st. The manager has not yet been named.

The Grand Trunk Pacific Railway Company has issued four per cent. perpetual debenture stock to the amount of £1,000,000, forming part of £3,000,000 which the company is empowered to raise out of the authorized total of $25,000,000. The stock is issued at par, payable in instalments up to July 1st. It is a first lien on the company's undertaking, and the interest is guaranted by the parent Grand Trunk Company.

LARGE BANKS AND SMALL

HOW THE SMALLER INSTITUTIONS ARE FARING.

Instances of Remarkable Growth in Three Years—Which Class Has Made the Greatest Gains—Competition and Its Effect.

The Bank of Montreal has just completed arrangements for taking over the People's Bank of New Brunswick. On the occasion of the absorption of the People's Bank of Halifax in 1905 by the Bank of Montreal, the officials of the People's Bank explained that they had been induced to entertain the offer of the big Monteral institution because they had found, as a small bank, that it was becoming more and more difficult to meet the competition of the large banks that possessed branches in every part of the country. This same explanation was given in the case of one or two other absorptions that occurred lately. Two banks have failed, one of them—the Bank of Yarmouth—a very small concern; and two others, also small. have reduced dividends.

In view of these circumstances it will be interesting to compare the development of the individual banks, say within the last three years. It is important to know which class of banks, has made the greatest gains; also what is happening to the small banks in general. In the tables that follow the banks of Canada have been divided into three classes according to the amount of their total assets as at 31st December, 1903. In class I. are all banks with assets of $30,000,000 and over; in class II. all with assets over $10,000,000 and under $30,000,000; in class III. all with assets under $10,000,000. The first table shows he growth of total assets in the three years.

Total Assets—Class I.

	Dec., 03	Dec., 06	Increase
Montreal	$117,272,747	$169,612,620	$52,339,873
Commerce	83,224,326	117,198,646	33,974,320
Merchants	40,513,096	54,730,635	14,217,539
British	38,457,902	47,392,179	8,934,277
Dominion	35,745,198	49,694,379	13,949,181
Imperial	30,127,326	45,662,810	15,535,484
	$345,340,595	$484,291,269	$138,950,674

Class II.

	Dec., 03	Dec., 06	Increase
Nova Scotia	$29,072,125	$37,461,788	$ 8,389,663
Molsons	26,744,970	33,384,887	6,639,917
Toronto	25,662,293	37,129,957	11,467,664
Royal	25,166,736	45,437,516	20,270,780
Hamilton	24,111,689	32,064,426	7,952,737
Ottawa	21,179,209	32,861,399	11,682,190
Union (Can.)	20,734,027	31,409,650	10,675,623
Traders	17,383,136	33,000,363	15,617,227
Standard	14,963,530	19,606,129	4,642,599
Eastern T'ps.	14,533,647	20,296,385	5,762,738
Ontario	14,435,564	15,920,307	*1,484,743
Hochelaga	13,661,865	18,173,985	4,512,120
Quebec	12,703,468	14,948,860	2,245,392
Union (Halifax)	10,461,436	12,972,788	2,511,352
* Sept. 30, 1906.	$270,813,695	$384,668,440	$113,854,745

Class III.

	Dec., 03	Dec., 06	Increase
Nationale	$9,359,720	$12,825,822	$ 3,466,102
Sovereign	7,331,207	29,208,311	21,877,104
People (Halifax)	5,555,698(a)		*5,555,698
New Brunswick	5,178,622	6,615,283	1,436,661
Provinciale	4,750,653	6,154,416	1,403,953
Western	4,536,720	5,812,626	1,275,906
Metropolitan	3,496,913	7,063,474	3,566,561
Merchants, PE.I.	2,073,690(b)		*2,073,690
St. Hyacinthe	1,481,013	1,689,575	208,562
People (N.B.)	969,887	1,020,512	50,625
Yarmouth	791,091(c)		*791,091
St. Jean	757,319	1,008,076	250,757
St. Stephen	708,901	915,550	206,599
* Decrease.	$64,991,244	$72,313,595	$25,322,351

(a) Absorbed by Montreal. (b) Absorbed by Commerce. (c) Failed.

Part of the increases shown above was contributed by stockholders in the form of payments for new capial stock and reservation of profits. In order to tell how the banks are standing the competition it is necessary to see what their gains were in deposits, circulation, etc., in other words, the increase in their liabilities to the public. The next table shows both the increases in stockholders' funds and in liabilities to the public:

Class I.

	Increase Cap. and Rest.	Increase liabilities to public.	P.C. of liabilities to public.
Montreal	$1,400,000	$51,090,120	55
Commerce	3,300,000	30,534,149	43
Merchants	700,000	13,345,141	43
British	*243,333	8,807,741	29
Dominion	900,000	13,392,330	46
Imperial	3,501,315	11,619,094	48
	$10,044,648	$128,788,575	46

Class II

	Increase Cap. and Rest.	Increase liabilities to public.	P.C. of liabilities to public.
Nova Scotia	$3,150,000	$ 5,200,520	22
Molsons	439,207	6,089,098	29
Toronto	2,285,460	9,190,946	47
Royal	2,290,000	18,073,610	96
Hamilton	838,180	7,180,165	36
Ottawa	758,767	10,368,253	64
Union (Can.)	1,001,920	9,533,186	56
Traders	3,789,363	11,905,233	81
Standard	1,158,650	3,637,009	28
Eastern T'ps.	905,485	4,844,714	46
Ontario	200,000	*3,069,168	25
Hochelaga	550,000	4,050,616	39
Quebec	250,000	1,964,318	22
Union (Halifax)	417,245	2,113,335	26
* To Sept., 1906.	$18,034,277	$97,220,168	46

Class III.

	Increase Cap. and Rest.	Increase liabilities to public.	P.C. of liabilities to public.
Nationale	$ 333,089	$ 3,113,016	43
Sovereign	3,607,270	18,207,011	321
New Brunswick	621,722	780,437	20
Provinciale	155,880	1,209,425	31
Western	245,111	1,039,038	27
Metropolitan		3,359,483	227
St. Hyacinthe		222,029	22
People (N.B.)	10,000	52,685	9
St. Jean	50,667	201,146	43
St. Stephen	2,500	210,823	47
	$5,026,239	$28,395,093	
Less liabiliies of failed and merged banks		5,909,613	
		$22,485,480	79

The total increases of classes I. and II. are exactly equal in percentage. If the Sovereign and Metropolitan were taken from class II. the showing would be decidedly inferior to the other two. In the case of the former of these two banks, again, nearly $3,000,000 of the increase shown was in "Due to banks and agents in United Kingdom."

It would be noted that these figures do not absolutely reveal the gains in strength made by the respective banks. The character of the business (loans and discounts) has got to come into calculation. It might well be, and probably is, that some banks that have made but moderate gains in business made greater real gains in strength than some others who surpassed them in getting new business. Another thing to be considered is that the gains in business shown by some banks would be on a more profitable basis than those made by others. In other words, some could make new business profitable on terms that would not be profitable to others.

H. M. P. ECKARDT.

BANK OF NOVA SCOTIA
INCORPORATED 1832
Capital - - - - - $3,000,000
Reserve Fund - - - - - $5,250,000
Head Office: HALIFAX, N.S.
General Manager's Office: TORONTO
A general banking business transacted
Savings Accounts opened by deposit of $1 or over. Interest added four times a year
FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditors

ESTABLISHED 1873
THE STANDARD BANK
OF CANADA
Head Office, - - - - Toronto
BANKING IN ALL ITS BRANCHES
The accounts of Commercial, Manufacturing and Business firms solicited. Special attention given to the collection of notes and other commercial paper in all parts of the world.
Savings Bank Department in connection with all Branches

THE BANK OF OTTAWA
Head Office: Ottawa, Ont.
Capital, - - - - - - $3,000,000
Rest and Undivided Profits, - - 3,236,513
Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.
GEORGE BURN, General Manager

FOR SALE
A LIMITED AMOUNT OF
7 % CUMULATIVE PREFERRED SHARES
OF THE
CANADIAN CONCRETE MACHINE M'N'F'G CO.
(Controlling Canadian patents for a number of concrete processes and articles for which there is an unlimited field in Canada.)
EACH SHARE of preferred stock carries A BONUS of ONE SHARE of common stock.
BENJAMIN BURLAND, 303 Board of Trade Building, MONTREAL
AGENTS WANTED

PAST THE BAD PERIOD.

Clearer Sailing for the Soo Lines -- Equipment in Good Shape.

In the severe declines of the early days of the past week Soo was in the ditch with the general list. In the face of general conditions no good news on any particular security had the slightest effect. For the investment holder there is, however, some comfort in the following statement of the vice-president, Mr. E. Pennington:

"We are past the bad period—a time worse than any experienced before. This was a period of bad weather, light business, high cost of operation, decreased earnings and general pessimism. It is over now. There may be weather disturbances yet, but no serious interference with business is likely. With February past the winter is well over. March comes in with a change from pessimism to optimism. The bad period changes into a bright promise.

"We find the property in good condition, the business delayed is being handled satisfactorily. There is immigration coming that will help our road both as to immediate business and in the settling up of land along our lines. The people are well disposed towards us. Our efforts to serve them during the bad weather made us many friends.

"Along our line there is 10,000,000 bushels grain ready for immediate hauling to market. Besides this the farmers have larger stocks, and the tonnage not in sight at stations, but known to be back in the country, is large. Roughly speaking, something like two-thirds of the production of last year in all crops along our lines has yet to be carried to market. From the standpoint of tonnage available it is the brightest prospect we have ever had. Already we are handling heavier business, and as we are receiving locomotives right along, our earnings are already going up, and as we get into the waiting tonnage more and more our figures will grow larger. In this connection I should like to correct an erroneous impression that exists about the Soo. We have the largest heavy equipment in motive power of any road in the country, relative to length. Few appreciate this, but I think the statement will stand. We have added a number of big locomotives lately. On the whole the prospect is highly favorable both as to gross earnings probable, and lessened operating expense compared with recent showings.

"One very disturbing thing to every railroad man is the action of the Minnesota legislature and state officials and their anti-corporation activities. This makes for uncertainty. The two-cent fare law passed by Minnesota and North Dakota will, of course, affect us, like the other roads, but we are better able to stand it than some of them. There are two or three weaker roads terminating in Minneapolis that will catch it badly."

CALUMET AND HECLA'S RECORD.

From the time of its organization in 1871 up to the payment of the last dividend in 1906 th Calumet & Hecla mine has paid out to stock holders $99,350,000 or nearly forty times its capitalization which was $2,500,000. Of this capitalization only $12 per share or $1,200,000 was paid in, so that in 35 years the dividends paid have amounted to more than 82 times the paid-up capital. The shares which cost $12 are now quoted around 1,000. Everybody who buys shares in Cobalt has the same chance as the original investor in Calumet & Hecla viz., one in one hundred thousand, but the copper mining promoters don't state the proposition quite in this way.

Do not shirk your work and be always thinking of the money side of the proposition. Give good value for the money you receive, and you will be sure to succeed.

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Range for year 1905 High	Range for year 1905 Low.	Range for year 1906 High	Date	Low	Date	Friday, March 8 Ask	Friday, March 8 Bid	STOCK	Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve	Last Dividend Date	Per cent.	Range for week ending Mar. 7, in market of activity First	High	Low	Last	Closing one year ago March 8 Ask	Bid	Sales week ending March 7
								BANKS														
170½	155½	190½	Oct.	169½	Jan.	177	176½	Commerce	50	10,000,000			5,000,000	1st Dec, s.-a. and bonus	3½ 1	176	176	175	175	181	180	375
270	248	283	Jan.	262½	*Dec.		240¼	Dominion	50	3,000,000			3,900,000	1st Jan. q.	3	239	241¼	238¾	240¼	277½	276½	674
219	213	233	May	210	Dec.	208		Hamilton	100	2,470,210			2,470,210	1st Mar. q.	2½	210	210	208	208	229		113
242	226	254½	May	225	Dec.	221	218	Imperial	100	4,926,000			4,674,991	1st Feb. q.	2½	221	221	217	218	246	245¼	408
172½	160	176	Oct.	160½	Jan.	166		Merchants	100	6,000,000			3,600,000	1st Dec. q.	2	166	166	166	166	166½	165	72
		202½	Mar.	192	Dec.		192	Metropolitan	100	1,000,000			1,000,000	1st Jan. q.	2	192½	192½	192	192			6
230	220	230	Mar.	204½	†Dec.	210		Molsons	100	3,180,820			3,000,000	1st Jan. q.	2½	210	210	210	210	230	228	2
261	250	261	Feb.	252¼	Sept.	250		Montreal	100	14,400,000			11,000,000	1st Mar. q.	3½	250	250	250	250	258	257	1
285	261¼	297½	Nov.	273	July.	295		Nova Scotia	100	3,000,000			5,250,000	1st Jan. q.	3					281	268	
230	215	233	May	222	Dec.	226		Ottawa	100	3,000,000			3,000,000	1st Mar. s.	5						227	
143	127½	145	June	139½	Jan.			Quebec	100	2,500,000			1,150,000	1st Mar. q.	1¾							
229	209¼	247½	Nov.	222	Mar.	238		Royal	100	3,900,000			4,390,000	1st Jan. q.	2½	236¼	237¾	236¼	237¾	225	220	50
132½	131½	155¼	Mar.	133	Dec.	129½	129	Sovereign	100	3,986,680			1,255,950	16th Feb. q.	1½	129½	130	129	129	155⅜	155⅛	352
238	218	250¼	June	223	†April	226		Standard	50	1,505,675			1,605,675	1st Mar. q.	3	225	°225	224½	224½			16
246	226	251	Feb.	222	Dec.	231		Toronto	100	3,975,190			4,475,190	1st Mar. s.	5	°225	°225	°225	°225	249		7
146	133	155	Mar.	138½	*Dec.		138	Traders	100	4,332,406			1,900,000	1st Jan. q.	1¾	139	139	138	139	154		45
147½	139¾	158	Oct.	143¼	Jan.		149	Union	100	3,000,000			1,500,000	1st Dec. s.	4	148	°148	°148	°148	149¾	149	4
								TRANSPORTATION														
177	131	201	Dec.	155¾	May	172¼	172	Canadian Pacific Railway	100	121,680,000	37,853,333	89,200,459		1st Oct. s.	3½	182¼	182¼	174	175	171	170¾	1,091
96½	75½	102	Feb.	79¼	Dec.	76	75½	Detroit United	100	12,500,000		20,387,000	1,431,155	1st Feb. q.	1¼	77¾	78	74⅞	77½	99½	99	1,664
41⅞	10⅛	21	Aug.	16¾	July			Duluth	100	12,000,000	10,000,000											
110¼	100	108	Jan.	100	Oct.			Halifax Electric	100	1,350,000		00,000	195,000	1st Jan. q.	1½					105		
38	14	50	Aug.	35	Mar.			Havana Electric	100	7,500,000		8,[illegible]1,036								36	35	
97⅞	79	97⅞	May.	79	Jan.			Havana Electric, preferred	100		5,000,000			15th Jan. q.	1					85	80	
		101½	Feb.	88½	*Dec.	92	90	Illinois Traction, preferred	100	5,810,000	2,240,000	11,241,500		1st Jan. q.	1½	92	92	90¼	91	99½	98⅞	533
145	189½					112⅝	112	Minn., St. P. and Sault Ste. Marie	100	14,000,000	7,000,000	44,295,000		15th Oct. s.	2	121	121	113	116½		150	300
240½	212	284	Aug.	211	†Dec.	220	218	Montreal Street	50	7,000,000		9,609,367	907,623	1st Feb. q.	2½	221	221	216½	220	273	272	671
83	57½	110¼	Nov.	80½	Jan.	96		Northern Navigation	100	840,000			71,184	19th Jan. a.	6+1½					90	87½	
		33¼	Feb.	27	*Dec.			Northern Ohio Traction	100	6,900,000		6,375,000		15th Mar. q.	½	30	30	30	30	32	30	10
76½	61½	88¼	Oct.	69¾	Jan.	78	76	Richelieu and Ontario	100	3,132,000		222,406	254,660	1st Mar. q.	1¼					84½	83	
		48	Nov.	38½	Oct.	43	42¾	Rio de Janeiro	100	21,993,900		20,900,000				46¾	46⅞	42¼	43½			5,798
142¾	106½	146	Feb.	125	Oct.	132		Sao Paulo	100	7,500,000		5,500,000		1st Jan. q.	2	135	135	130½	131	146	145	651
35½	21	36¼	Jan.	25	Dec.	28	26	Toledo Railway	100	12,000,000		10,854,000		2nd Nov. s.	1	27½	27½	27	27	35	34	180
112½	103	126	Mar.	112	*Dec.	111	110	Toronto Railway	100	8,000,000		3,613,000	1,918,322	1st Jan. q.	1½	112	112	109½	110½	124	123½	365
		95	Nov.	88½	*Dec.			Tri-City. preferred	100	9,000,000	2,600,000		6,464,000	1st Nov. q.	1¼	90	90	89	90			153
95¾	78	92	Mar.	80	Dec.			Trinidad Electric	100	1,164,000			720,000	10th Jan. q.	1¼					92½		
122½	104¾	122¼	Jan.	102½	Dec.	96¾	96⅝	Twin City	100	18,000,000	3,000,000	15,566,000	1,010,205	15th Feb. q.	1¼	102¼	102¼	97⅜	97⅜	118	117½	2,406
192½	114½	190	Mar.	160	Oct.		175	Winnipeg Electric	100	4,000,000		3,500,000	686,934	1st Jan. q.	2	185	185	179	179	185	180	120
130	100	148	Dec.	120	Jan.	125		St. Lawrence & Chicago Steam Nav.Co.	100	563,300		115,996		1st Jan. s.	10	120	120	120	120	128	125	24
								TELEGRAPH, LIGHT AND POWER														
162	149	158¾	Feb.	145	*Dec.	143	142	Bell Telephone	100	9,980,800		2,325,000	3,382,879	15th Jan. q.	2	142	142	141¼	142	158	156½	114
214	206	209	Mar.	200	*Oct.		201	Consumers Gas	50	2,500,000			973,155	1st Feb. q.	2½	201½	202	201⅛	201⅛		208½	199
60	37	77⅛	June	57⅞	Jan.	70¼	70	Mackay, common	100	41,380,400				1st Jan. q.	1	72¾	73¼	70	70¾	60⅜	60¼	3,268
76½	71¼	76⅛	June	68	Dec.	69	67½	Mackay, preferred	100		50,000,000			1st Jan. q.	1	70	70	68½	68½	75	74	402
93	77¾	99½	Nov.	86	May	88⅞	88⅝	Montreal Power	100	17,000,000		846,000		15th Feb. q.	1¼	90½	90½	87¾	89	95⅜	95	1,703
70	66½	70	Jan.	47½	Oct.	52	50	Mexican Light and Power Co.	100	13,600,000		12,000,000				53	53	51	51	67¾	67⅝	1,037
162¼	145½	171	Nov.	152	July	161		Toronto Electric Light	100	2,997,900		1,000,000	500,000	1st Jan. q.	2					161	159½	
								INDUSTRIALS AND MISCELLANEOUS														
178	136⅞	155	Jan.	130	Oct.	129½		Canadian General Electric	100	4,700,000	300,000		1,671,082	31st Dec. q.	2½	131	131	128¼	129½	152	150¾	487
28¾	16¾	34¼	April	20½	Nov.	22⅝	22¼	Dominion Steel, common	100	20,000,000		10,044,833				22¼	24	20	23½	32	31	2,322
75¾	60¼	83½	May	60	Nov.		55	Dominion Steel, preferred	100	5,000,000						57	57	56	57	82	80½	86
86½	59⅞	84½	Feb.	58	Nov.	65	64	Dominion Coal	100	15,000,000						70¼	70¼	63	66	80	78¾	1,645
119	114	122	Mar.	112	Nov.			Dominion Coal, preferred	100	3,000,000		5,691,198		1st Feb. s.	3½					122½	120	
104½	80	109¾	Mar.	95¼	Nov.	96	94½	Dominion Textile,, preferred	100	7,500,000	1,940,000		b 6,966,660	15th Jan. q.	1¾	96	96	96	96	106	105	23
118	88	100	Sept.	89	Jan.			Lake of Woods Milling	100	2,000,000				3rd Oct. s.	3					91	90	
122	110	115	Sept.	108	Dec.	111	110	Lake of Woods Milling, preferred	100		1,500,000			28th Feb. q.	1¾	110	110	110	110	112		200
110	60	114	Jan.	97	Oct.			Montreal Steel	100	700,000				8th Jan. bal.	4½	96	96	96	96	110		50
119	99	115	Feb.	106	Nov.			Montreal Steel, preferred	100		800,000			8th Jan. q.	1¾							
69½	51¼	74½	Feb.	60	May	75½	75	Nova Scotia Steel, common	100	5,000,000			b 3,838,000			77	77	74½	74½	63⅜	63	1,710
122	109¾	125	Aug.	118	*Jan.			Nova Scotia Steel, preferred	100		1,030,000			15th Jan. q.	2					122	118	
								Ogilvie Flour	100	1,250,000		1,000,000		Sept. a.	7						250	
140	124½	130	Jan.	123	Dec.			Ogilvie Flour, preferred	100		2,000,000			1st Mar. q.	1¾	°120	°120	°120	°120	130	126	2
						13½		A Nipissing Mines Co.	5	6,000,000				20th Jan. q.	3+2	13¼	13¼	12⅝	12⅝			138

*Ex-div. †Ex-al otment A—Quotations per $5 share. ° Less than ten shares.

Inactive Stocks

Latest price Ask	Bid	STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend Date	Per cent.	Range for year 1906 High	Low	Last Sale
		BANKS									
	151	British North America	243	4,866,666		2,141,333	5th Oct. s.	3	146½	141	150½
	162	Eastern Townships	100	2,945,400		1,860,010	1st Jan. q.	2	163¼	160	161¾
155	148	Hochelaga	100	2,000,000		1,600,000	1st Mch q.	2	163	†144	150
		Nationale	30	1,653,525		600,000	1st Mch q.	1¾	124	121	120
275		New Brunswick	100	707,200		1,191,830	1st Jan. q.	3			272
		LOAN AND TRUST									
	122	Agricultural Loan	50	630,200		283,000	2nd Jan. s.	3			
125	124	Canada Landed	100	1,004,000		505,000	2nd Jan. s.	3 plus 1	125	117½	124½
124		Canada Permanent	10	6,000,000		2,450,000	1st Jan. s.	3	131	124	123½
	160	Central Canada	100	1,500,000		1,050,000	1st Jan. q.	2	172	160	
		Col. Investment, preferred	10	2,398,701		119,808	1st Jan. s.	3	89	75	74
	71	Dominion Savings	50	934,597		90,000	31st Dec. s.	2	73	70	72
	123	Hamilton Provident	100	1,100,000		490,000	2nd Jan. s.	3	124	120	122
188⅜	185	Huron and Erie	50	1,900,000		1,525,000	2nd Jan. s.	4½	188½	183	184
		Imperial Loan	100	735,481		78,720	2nd Jan. s.	2½	70	70	70
	124	Landed Banking	100	700,000		310,000	2nd Jan. s.	3	125	121	122
108		London and Canada Loan	50	1,000,000		245,000	2nd Jan. s.	3	111¼	105	107½
118		London Loan and Savings	50	686,891		134,000	1st Jan. s.	3			
		Montreal Loan	25	500,000		400,000	15th Sep. s.	3½	138	*133¼	136
		North of Scotland	£10	£50,000		£35,000	5 s.	plus 2½			
	158½	National Trust	100	1,000,000		450,000	2nd Jan.	1¾	157	155	157
	134	Ontario Loan and Debenture	50	1,200,000		685,000	2nd Jan. s.	3¼	140	128¼	134
	90	Real Estate Loan	40	373,720		65,000	2nd Jan. s.	2½ plus ½	90	85	89½
		Toronto General Trusts	100	1,000,000		375,000	2nd Jan. s.	3¾	160	140	*150
	110	Toronto Mortgage Co	50	724,550		305,000	2nd Jan. s.	3	115½	105½	110
		Toronto Savings	100	1,000,000		580,000	1st Jan. q.	1½			

Latest price Ask	Bid	STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend Date	Per cent.	Range for year 1906 High	Low	Last Sale
		OTHER COMPANIES									
		British America Assurance	25	848,226		191,787	3 % passed		98	97	97
		British Columbia Packers, pfd	100	1,511,400	1,270,000		3½ for 6 mos. May. 20, '05		80½	59¾	80
57	50	Canada Col. Cotton	100	2,700,000	b 2,000,000		15 Mch	1	60	45	55
		Canada Life Assurance	400	1,000,000			1st Oct.	4	163	163	155
		Canadian Converters, Limited	100				Feb. q.	1	60	60	60½
		Canadian Salt	100	500,000			1st Jan. q.	2	110¼	*108	108
		Canada North-West Land	12½	733,841			a		500	400	480
		City Dairy	100	565,000		7,500	31st Dec. q.		38	21½	37
90		City Dairy, preferred	100	271,620			2nd Jan.	1¾	94½	*82½	90
		Confederation Life Association	100	100,000			1st Jan. s.	7½	285	272½	285
	120	Dominion Telegraph	50	1,000,000			15th Jan. q.	1¼	121	*119	120
		Hamilton Electric Power, pfd	100	1,700,000	2,895,700		15th Jan. s.	2¾			
		Imperial Life Assurance	100	450,000			1st Jan. q.	1½	149	149	150
		Intercolonial Coal	100	500,000	b 242,500	90,474	Sept. s.	3½	90	84	85
		Intercolonial Coal, preferred	100		219,700		Sept. s.	3			100
		Laurentide Paper	100	1,600,000			1st Feb. s.	3	107½	89½	90
110	102	Laurentide Paper, preferred	100		1,200,000		1st Jan. q.	1	114¾	100½	110
		London Electric	100	404,610		75,000	1st Dec. s.	3	95	89¾	89¾
		London Street	40	500,000	b 550,000		31st Dec. s.	3¾	97½	97½	97½
125	121	Montreal Cotton	100	3,000,000	b 350,000		15th Mch q.	1¾	135	122	125
161	160	Montreal Telegraph	40	2,000,000			15th Jan. q.	2	171	162	160
		Niagara Navigation	100	701,300	b 111,000	98,000	2nd Jan. s.	4	133½	117	120
	75	Niagara, St. Cath. and Toronto	100	925,000					80	75	80
		Ottawa Electric Railway	100	998,200		199,564	2nd Jan. q.	2			
		Western Assurance	20	1,500,000		419,836	passed		98	96	96
		Windsor Hotel	100	600,000	b 1,100,000		Dec. s.	4 plus 1	*105	100	107½

NOTE.—s.—semi-annual; q.—quarterly; plus indicates bonus; b. means bonds. °—Less than ten shares. a—$12 50 per share return of capital payable March 15, 1907.

ELECTRICAL DEVELOPMENT

(Continued from page 6.)

the Toronto and York Radial Railway Co., the Niagara, St. Catharines and Toronto Railway Co., and several of our large industries. In addition, the construction of the Toronto, Niagara and Western Railway will be commenced this spring, and should be completed some time next year. This is the company that has leased the right to construct and operate a railway upon our company's right of way between Toronto and Niagara Falls, and from whom we will receive a revenue both for the use of the right of way and for the consumption of the electric power required in its operation.

"Now that the construction era of the company's history is practically at an end, except for the extension of its transmission lines, the energies of our executive will be concentrated upon the sale of power to additional consumers, and I may say here, what I have said on several occasions to the public press, viz., that we have power for sale and we intend to find a market for it. Practically our whole development for 125,000 horse-power will be completed this year, except the remaining water wheels and generators and the continuation of the power-house. The head works, wheel pit, and tail race tunnels are finished for the full output, as we realize that, in order to sell this output, we must do as other traders have to do—make a price that, while returning a fair interest to those who have taken the unusual risks attending the inception of this enterprise, will be sufficiently attractive to command a ready sale.

"Before concluding, I desire to refer to the alarmist reports which have been circulated regarding the probable confiscation or expropriation of this company's property by the Ontario Government. I have had several interviews with the Hon. J. P. Whitney, Premier of Ontario, in regard to these reports, and I have received his personal assurance that, while it is the Government's desire and intention to secure for the people of the Province of Ontario electric power wherever available at prices that must be fair first of all, a fair and reasonable return to those whose faith in this similar enterprises have caused them to invest their capital in companies whose existence is based primarily upon the authority of the franchises granted by the Ontario Legislature, confirmed by the Lt. Governor-in-Council, and for which an agreed price per horse-power has been and is being paid annually as rental to the Niagara Falls Park Commission."

and reasonable, it is conceded that,

THE BOND MARKET

THE WEEK ENDING MARCH 8th.

BONDS	Rate	Closing Asked	Closing Bid	Sales Week Mar. 7.
				$
Bell Telephone Co.	5			
Can. Colored Cotton Mills Co.	6			3,000
Commercial Cable Co.	4			500
Dominion Coal Co.	5	99½		4,000
Dominion Cotton Mills Co.	6	96	95	13,000
Dominion Iron & Steel Co.	5	77½	77	12,000
Dominion Textile Co., Series A.	6	92	90	
Do. Do. Series B.	6		90	3,000
Do. Do. Series C.	6	92	90	
Do. Do. Series D.	6			5,000
Electrical Development Co.				
Halifax Electric Tramway Co.	5	103		
Havana Electric Railway Co.	5			
Intercolonial Coal Co.	5			
Lake of the Woods Milling Co.	6			4,000
Laurentide Paper Co.	6		110	
Magdalen Island	6			5,000
Mexican Electric Light Co.	5	78	77	5,500
Mexican Light & Power Co.	5	82½	81¾	12,000
Montreal Light, Heat & Power Co.	4½			1,000
Montreal Street Railway Co.	4½	104	102	
Nova Scotia Steel & Coal Co. 1st Mtg.	6			28,000
Do. Do. Cons. Mtg.	6		102¼	5,500
Ogilvie Flour Mills Co.	6	118		3,000
Price Bros. Co.	6			
Rio de Janeiro Tramway, L. & P. Co.	5	77¼	77	23,000
Sao Paulo Tramway L. & P. Co.	5		94½	3,500
Winnipeg Elect. Street R'y. Co.	5	105½	103	45,000
Montreal Water & Power Co.	5			
Montreal City, Stock	7			
Do. Stock	4			

CURB QUOTATIONS.

Week Ending March 8th, 1907.

NAME	Stock Issued.	Acreage.	High	Low	Closing bid	Sales Week Ending Mar. 7th
Abitibi & Cobalt Mining Co.			.32½	.30	.25	3,800
Beaver Silver Cobalt Mining Co.	500,000	20	.85	.75		4,150
Buffalo Mines Co.	900,000	40				
Cobalt Silver Queen	1,500,000	58	2.15	2.01	1.95	865
Cleveland Cobalt Silver Mines	1,000,000	114	.90	.90		100
Coniagas	4,000,000	40	4.35	4.14	4.10	2,040
Empress Cobalt	500,000	40				
Foster Cobalt Mining Co.	1,000,000	40	2.27½	2.13	2.13	8,260
Green-Meehan Mining Co.	1,500,000	40	1.06	1.00	.95	22,255
Kerr Lake Mining Co.	3,000,000	52	5.20	5.20		200
McKinley-Darragh-Savage Mines	2,000,000	120				
Peterson Lake	2,500,000	225	.65	.48	.54	90,600
Red Rock Silver Mining Co.	1,000,000	30			.75	
Rothschild Cobalt Co.	500,000	40			.20	
Silver Bar Mining Co.	500,000	25	.34	.34		100
Silver Leaf Mining Co.	5,000,000	40	.18	.16	.16½	15,350
Stanley Smelters	500,000				.99	
Temiscaming Mining Co.	2,500,000	210				
Trethewey	1,000,000	40	1.70	1.45	1.40	12,380
University Mines	1,000,000	56				

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	High	Low	Closing bid	Sales Week Ending Mar. 7th
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Canadian Gold Fields						
Consolidated Mining & Smelting	4,698,886		135	135		
Consolidated Rubber Bonds	2,141,300	822,200 2,600,000b	91	91	90	2,000
Canada Cycle & Motor Co.	800,000					
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000	85	85	84	8,000
Dominion Park Bonds					80	
Havana Central Bonds	6,250,000	6,250,000				
Illinois Traction Com.	5,810,000	3,214,300	40	40		100
Mexico Tramways	6,000,000				65	
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b	40	40	38⅛	100
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Shawinigan L. & P.	6,500,000	4,000,000b	43½	43½		100
Tri-City Railway & Light Co.	9,000,000	2,600,000				
Union Bank of Halifax						
Western Bank of Canada	555,000					
Yukon Loan & Trust Co., Com.					115	

b Bonds